

MISSION STATEMENT

“Otorohanga District Council will strive
to be the best rural council in New Zealand,
operating proactive policies which promote progress
while taking into account social, cultural,
economic and environmental needs.”

TABLE OF CONTENTS

COMMENTS FROM THE MAYOR AND CHIEF EXECUTIVE	1
INTRODUCTION TO THE LONG TERM COUNCIL COMMUNITY PLAN (LTCCP)	2
1.0 Definition of LTCCP	2
2.0 LTCCP vs Annual Plan	2
3.0 Contents of the LTCCP.....	2
4.0 Community Outcomes.....	3
4.1 What are Community Outcomes?	3
4.2 Otorohanga District Council Community Outcomes	3
4.3 How the Community Outcomes were identified	3
4.4 How will the Council contribute to furthering the Community Outcomes?.....	4
4.5 Linkage of Community Outcomes to Other Documents and Processes	4
4.6 Working with the Community to Further Community Outcomes.....	4
4.7 Monitoring and Reporting of Community Outcomes.....	4
SIGNIFICANT ACTIVITIES	5
5.0 District Roding	5
5.1 Statement of Cost of Service – District Roding.....	9
5.2 Capital Expenditure – District Roding	10
6.0 Drainage and Utility Services	11
6.1 Solid Waste	11
6.2 Water Supplies	13
6.3 Waste Water	13
6.4 Flood Protection/ Stormwater/ Land Drainage.....	20
6.5 Statement of Cost of Service – Drainage and Utility Services.....	22
6.6 Capital Expenditure – Drainage and Utility Services	23
7.0 Community Services	24
7.1 Parks and Reserves (including public conveniences)	24
7.2 Library	26
7.3 Swimming Pool	27
7.4 Cemeteries.....	29
7.5 Security Patrol.....	30
7.6 District Sports Co-ordinator Scheme	31
7.7 Statement of Cost of Service – Community Services	32
7.8 Capital Expenditure – Community Services	33
8.0 Environmental Services	34
8.1 Building Control.....	34
8.2 Planning and Development.....	35
8.3 Civil Defence	37

8.4	Dog Control	38
8.5	Stock Ranging and Impounding	39
8.6	Environmental Health	40
8.7	Statement of Cost of Service – Environmental Services	42
9.0	Democratic Processes	43
9.1	Statement of Cost of Service – Democratic Process	46
10.0	Other Activities.....	47
10.1	Property Development	47
10.2	Pensioner Housing.....	48
10.3	Other Property.....	49
10.4	Litter Control.....	50
10.5	Rural Fire	51
10.6	District Promotion, Development and Tourism	52
10.7	Council Grants	54
10.8	Corporate Planning	55
10.9	Statement of Cost of Service – Other Activities	56
10.10	Capital Expenditure – Other Activities	57
11.0	Support Services.....	58
11.1	Statement of Cost of Service – Support Services.....	60
12.0	Professional Engineering Business Unit	61
12.1	Statement of Cost of Service – Professional Engineering Services Business Unit	62
13.0	Consolidated Cost of Service Statement	63
13.1	Capital Expenditure – Consolidated Costs	64
14.0	Schedule of Capital Expenditure.....	65
FINANCIAL STATEMENTS		66
15.0	Prospective Income Statement.....	66
16.0	Prospective Statement of Changes in Equity	67
17.0	Prospective Balance Sheet	68
18.0	Prospective Statement of Cash Flow.....	69
19.0	Prospective Statement of Debt.....	70
20.0	Statement of Accounting Policies.....	71
20.1	Impact of adoption of NZ IFRS	76
20.2	Significant Assumptions	77
21.0	General Assumptions, Risks, Commitments and Contingencies.....	78
POLICIES		82
22.0	Funding Impact Statement.....	82
22.1	Introduction	82
22.2	Revenue and Financing Mechanisms Background	82
23.0	Funding Impact Statement.....	89
24.0	Examples of contribution to Council Services	90
25.0	Revenue and Financial Policy	91
25.1	General	91
25.2	Capital Expenditure.....	93
25.3	Funding Needs.....	93
25.4	The Rating System – Rating Policies Systems and Indicative Rates.....	94
26.0	Rates Policy.....	96
27.0	Proposed Rates Levies and Funding Mix Otorohanga District.....	97
27.1	Otorohanga District	97

27.2	Otorohanga Rural.....	98
27.3	Otorohanga Community.....	99
27.4	Kawhia Community	100
27.5	Combined Summary	101
27.6	Combined Otorohanga District Summary	101
28.0	Rate Remission Policy	102
28.1	Policy on Remission and Postponement of Rates on Māori Freehold Land	103
29.0	Treasury Management Policy	104
29.1	Liability Management Policy	105
30.0	Investment Policy	108
31.0	Council-Controlled Organisations	111
31.1	Waikato Regional Airport	111
31.2	Local Authority Shared Service Limited.....	112
31.3	Minor Shareholdings	113
32.0	Policy on Significance	114
33.0	Policy on Financial Contributions and Development Contributions.....	115
34.0	Policy on Partnerships with the Private Sector	116
35.0	Policy on Appointment of Directors.....	118
	SUPPORTING INFORMATION	121
36.0	Equal Employment Opportunities Programme.....	121
37.0	Māori Involvement in Decision Making.....	121
	ORGANISATION	122
38.0	District Personnel	122
39.0	Management Structure	123
40.0	District Background.....	124
41.0	Statistics	125
	APPENDICES	126
	Appendix 1 – Community Outcomes.....	126
	Otorohanga Community Outcomes.....	126
	Kawhia Community Outcomes	133
	Rural Community Outcomes	138
	Appendix 2 – Fees and Charges	142
	Appendix 3 – Regional Land Transport Strategy	156
	Appendix 4 – Assessment of Water and Sanitary Services.....	158
	Appendix 5 – Otorohanga District Council Solid Waste Management Strategy 2002.....	162
	Appendix 6 – Zero Waste Action Plan – Years 1 & 2	166
	Glossary	170

COMMENTS FROM THE MAYOR AND CHIEF EXECUTIVE

Welcome to Otorohanga District's Long Term Council Community Plan (LTCCP) for the period from 1 July 2006 through to 30 June 2016.

The LTCCP is a relatively new requirement of the Local Government Act 2002. It includes many of the same features found in our previous Annual Plans and in the Interim LTCCP adopted in 2004. A significant difference however is the emphasis that is placed on Community Outcomes.

Over the past two years the Council has facilitated meetings of Otorohanga, Kawhia and Rural Sector residents and ratepayers in order to identify the most important issues for the District. The Outcomes identified as a result of these meetings are all included within this LTCCP.

Not all of the Community Outcomes will be achievable within the ten year time frame of this LTCCP, for a variety of reasons.

For example, in many cases the Outcomes are the responsibility of other parties, such as Environment Waikato or Government Departments. Resource issues will also play a part in determining which outcomes can be achieved within the ten year time frame, and which will be carried over.

The next ten years could be characterised as a period of consolidation for the District. The District's roads, Otorohanga Community's water and sewerage networks and Kawhia's water and stormwater networks have all been substantially upgraded over the past decade. This has left the District with a solid foundation for ongoing growth.

Over the next ten years the LTCCP projects that rates levels will increase. It is disappointing that many of the causes of these rate increases are non-productive. For example, the cost of preparing, pre-auditing and auditing this LTCCP and future Annual Reports; the extraordinary cost of defending legal challenges under the Resource Management Act; significant increases in the cost of District Planning associated with the early Review of our District Plan and the additional costs arising from amendments to the building control and dog

control acts, not all of which have can be absorbed by increased consent or registration fees.

Notwithstanding our intention to consolidate, many worthwhile projects have been programmed to occur during the next ten years.

These may include:

- Upgrading the bus park walkway in Otorohanga;
- Improving the Harpers Avenue / SH3 intersection in Otorohanga;
- An increased focus on safety improvement, widening and maintenance of rural roads;
- Development of Omimiti Reserve in Kawhia;
- Assistance towards the upgrade of the Otorohanga Kiwihouse;
- Upgrading the library's computer system;
- Restoration of the Kawhia museum building;
- Upgrade of the Housing for the Elderly Units in Otorohanga and Kawhia;
- A capacity upgrade of Otorohanga's water reservoirs;
- An upgrade of Otorohanga and Kawhia's water treatment plants, which will increase capacity and improve water quality;
- Ongoing renewal of older sewerage lines in Otorohanga; and
- Flood protection works to guard against future flooding of Otorohanga Primary school and surrounding properties.

In addition, it is also possible that work will be undertaken to develop Council-owned land in Waiwera Street, Kawhia for residential purposes.

On behalf of the Mayor, Councillors, Community Board Members and staff we commend this LTCCP for your consideration.

D F Williams
Mayor

D R Hall
Chief Executive

INTRODUCTION TO THE LONG TERM COUNCIL COMMUNITY PLAN (LTCCP)

1.0 Definition of LTCCP

Provides a long term focus for the decisions and activities of the local Council for the next 10 years.

The LTCCP is required by the Local Government Act 2002 to be produced once every three years, there is also a requirement for the Community Outcomes contained in this document to be reviewed and evaluated once every six years to ensure that Council is in line to attain its commitments.

Actual results achieved for 2006-16 may vary from the information presented, and the information contained within this document may not be appropriate for purposes other than guiding community input into Council decision-making. Information relating to future years will be updated in subsequent 10-year plans and annual plans.

The achievements in any year will be

presented in Council's Annual Report for that year.

The purpose of the LTCCP is to:

- Describe the activities of the local Council;
- Provide the Community Outcomes of the local Council's district or region;
- Co-ordinate the resources of the local Council and integrate decision-making;
- Provide long term focus for the decisions and activities of the local Council;
- Provide a basis for accountability of the local Council to the Community; and
- Provide an opportunity for participation by the public in decision-making processes on activities to be undertaken by the Council.

2.0 LTCCP vs Annual Plan

What's the difference?

The LTCCP is published every third year. In the two years between publications, the Annual Plan is produced.

The Annual Plan sets out what the Council intends to achieve over the next

year, the costings, performance measures and funding sources.

The LTCCP sets out the Council's programme for the next 10 years and how Council will contribute to achieving these outcomes.

3.0 Contents of the LTCCP

The LTCCP provides a wide range of financial, policy and activity information.

In particular, the LTCCP:

- Sets out the long-term expectations of residents (community outcomes) and how these align with Council activities and services;
- Outlines the services and levels of service Council intends to provide;
- Identifies the measures or targets that will gauge Council's performance towards the achievement of community outcomes;
- Details the proposed activities, projects and financial implications of
- Council's significant activity areas;
- Provides detailed financial statements, the supporting policies and the assumptions upon which the financial statements have been prepared;
- Includes the financial management and decision-making policies required by the Local Government Act 2002;
- Provides an overview of the commercial organisations that Council has some direct involvement in or control over;
- Lists the major projects to be undertaken;

- Provides an overview of the proposed activities and projects within the communities of the District, the proposed funding requirements and likely rating impacts within these communities and a District-wide summary of key financial information;
- Includes information about elected members, Council Committees, Community Boards and Council services; and
- Outlines the initiatives Council proposes to take to foster the development of Māori capacity to contribute to local decision-making.

4.0 Community Outcomes

4.1 What are Community Outcomes?

Within the context of a Long Term Council Community Plan (LTCCP), outcomes are a desired future

position or state. They are typically long-term expectations of the Community.

4.2 Otorohanga District Council Community Outcomes

The Local Government Act 2002 requires Council's LTCCP to describe the community outcomes for the District.

The communities of Otorohanga and Kawhia and the rural area have produced a set of outcomes which are identified in Appendix 1.

The Local Government Act 2002 wants community outcomes (desired results or state of affairs) to be identified so that

those things that the community thinks are important for its wellbeing, are clearly understood.

These outcomes should reflect the four aspects of community wellbeing identified in the Act (Economic, Environmental, Social, and Cultural).

Council then identifies in the LTCCP, how it can assist the community in achieving their outcomes.

4.3 How the Community Outcomes were identified

Community organisations and members of the public were invited to participate in the community outcomes process. Two public meetings were held in each of Otorohanga and Kawhia in May and June 2003.

Public meetings were also held in the Rural area in November 2004 and February 2005.

These meetings were very well attended and provided the opportunity to discuss the new Local Government Act and the requirement for Council to identify community outcomes.

At the second meeting in each area, a group of people (iwi, representatives of local groups and individuals) formed a community team to write a community plan, which would contain the outcomes for that community.

These people volunteered their time for this project, and were generally representative of the four aspects of community wellbeing. Many of the team

members were already involved with community organisations.

Identifying the community outcomes and producing a community plan containing these outcomes took place over the following months.

The teams consulted with regional and other groups in the community, including agencies delivering services in the District.

For regional outcomes refer to www.choosingfutures.co.nz and for outcomes for Ngāti Maniapoto and Tainui, refer to Outcomes and Indicators for Ngāti Maniapoto and Outcomes and Indicators for Tainui.

A draft document was sent to many groups and organisations, and made available for public submission.

The teams had a very good public response to their draft community outcomes, including 75 submissions from Kawhia residents and 35 from rural residents.

The community teams continued to refine the outcomes, and finally adopted the community plan document in February 2004 for Kawhia and Otorohanga, and in November 2005 for the rural area.

Throughout the process of establishing community outcomes, the Otorohanga District Council provided resources to the teams in the form of venues for meetings, cost of printing and mailing, and a consultant/staff member to help the teams progress the document and assist with technical drafting and presentation.

Council will carry out a public process to

identify community outcomes every six years. The outcomes process is a multi-organisational community-based process, led by Council.

Community outcomes identified by the community have been recorded in the LTCCP (Appendix 1).

The LTCCP sets out the activities that Council will undertake over the next ten years, the reasons for undertaking these activities, how they might contribute to the achievement of community outcomes, what assets might be required and how these activities will be funded.

4.4 How will the Council contribute to furthering the Community Outcomes?

The Council can contribute to furthering community outcomes in a number of ways:

- **Lead agency** – Being largely responsible for action in a particular area;
- **Joint lead agency** – Managing a programme in conjunction with other organisations;
- **Supporting** – Providing support to lead agencies;
- **Monitoring and influencing** – Looking to influence other players; and
- **No direct influence** – Being aware of the programme but having no direct involvement.

When the Council takes on a role, it can

also be involved in a number of different ways:

- **Provider** – Carrying out the programme using own resources. This is most common when the Council is the lead agency;
- **Funder** – Making a financial investment in the programme;
- **Regulator** – Developing and enforcing rules as appropriate;
- **Promoter and facilitator** – Encouraging progress by organising interested parties; and
- **Advocate** – Expressing support publicly.

In some cases the Council may be involved in more than one way for an individual programme.

4.5 Linkage of Community Outcomes to Other Documents and Processes

The Council will have regard to the community Outcomes when all

documents, strategies and processes are being formulated.

4.6 Working with the Community to Further Community Outcomes

The Council will, as and when required, liaise with appropriate groups to further the Community Outcomes.

Identified groups include Local and Central Government, local and regional

organisations, private sector groups, Iwi etc. The Council has identified in some cases in Appendix 1 the specified action it will take to work with the community or other groups to achieve the outcome.

4.7 Monitoring and Reporting of Community Outcomes

The Council will monitor Community Outcomes on an annual basis through

the publication of the Annual Report.

SIGNIFICANT ACTIVITIES

5.0 District Roothing

Rationale for delivery of activity

The road network forms the backbone of Otorohanga's infrastructure and impacts on the potential for development in the District. The purpose of this activity is to provide for the safe and efficient passage of traffic throughout the District and Council acknowledges its interdependency on the State Highway network, as well as partnerships with key stakeholders in the transport arena.

This is the single largest activity of Council, and provides for road improvement, seal extension projects and maintenance works such as pavement rehabilitation, reseals, bridge repairs, storm damage restoration, general maintenance, vegetation control, landscaping, sign posting and pavement marking (traffic services), street lighting, street cleaning, minor safety projects, and footpath repairs.

The rationale for Council's involvement stems in part, from statutory requirements. The Local Government Acts 1974 and 2002 empower Council to construct, upgrade and repair all roads, which is done with the help of Government funding. It also ensures common law rights of public access.

Council considers the following Community Outcomes (as sourced from Appendix 1) to be relevant to this significant activity. These outcomes are not, in many cases, linked directly to particular roading activities, but Council has endeavoured to establish links as best it can. These roading activities are at an individual level, and form a part of the four overall target levels of service discussed in the following sections.

Community Outcomes

- Ongoing work is undertaken to improve the safety and efficiency of the roading network.
- Footpaths and other walking areas are safe for pedestrians.
- Pedestrians' and motorists' safety in the main street is addressed.
- Otorohanga is a safe environment to live and play.
- Infrastructure is adequate to deal with environmental issues from any development.
- Existing economic strengths in the community are promoted and make the town an attractive destination for the development of small to medium sized businesses. That the business community is vibrant and progressive and a cornerstone of the greater community.
- All residents have equal access to services and facilities.
- An historic tourist route is developed and promoted.
- Employment and business opportunities are increased and enhanced, and people in Kawhia benefit from these.

Council contribution to Community Outcomes

- Take advantage of traffic flows at SH3 / SH31 intersection.
- A tidy business area.
- Maximise parking.
- Traffic safety.
- Safe access over the railway line to Progress Park.
- Continue funding new footpaths and footpath replacements.
- Develop better defined priority system for allocating funding.
- Review main street safety.
- Improve bypass access for heavy vehicles.
- Enforce traffic bylaws.
- Maintain high standard of roading.
- Develop an historic tourist route.
- Improve recreational facilities (fishing, sailing, boating and water skiing).
- Improve roading in and to Kawhia.
- Bilingual street signs.
- That the rate of roading improvement is in keeping with economic development.

- There is an adequate range of health and well-being, youth and adult social services provided in Kawhia.
 - The Māori character of Kawhia is recognised and enhanced.
 - Undertake future proofing to accommodate roading needs.
 - Have a stock droving bylaw.
-

Target levels of service

Council targets the following general levels of service:

- Implement and maintain regular road inspections and effective proactive and reactive road maintenance.
- Review and implement minor safety improvements where appropriate to achieve a reducing crash trend on roads managed by Council.
- Aim to provide a footpath on one side of each urban street and both sides in high traffic and business areas.
- Provide annual construction and improvements programme in accordance with budget allocations.

Target levels of service are for each year of the 10 years unless otherwise stated.

More specific details of technical and functional Levels of Service targeted under these general levels of service are contained in Council's Roading Asset Management Plan, but can be summarised as follows:

Target Levels of Service – Road Maintenance

Road maintenance is considered one of Council's most important activities. The most significant targets and associated measurement methods are in the following table.

Target Levels of Service – Minor Safety Improvements

A schedule of desired minor road safety improvements is maintained and updated, based upon observed hazards and recorded accidents.

Council targets annual completion of a number of projects based on this schedule, to ensure that Minor Safety Project funding available from Land Transport NZ (currently in the order of \$350,000 per annum) is utilised to the greatest possible extent. Crash statistics on District roads are also monitored to assess the effectiveness of these safety improvement works.

Target Levels of Service – Footpath Construction

Council maintains prioritised lists of footpath construction projects, and targets annual extension of footpaths in the Otorohanga and Kawhia communities to typical values of \$45,000 and \$10,000 respectively.

Target Levels of Service – Road Construction and Other Improvements

Council develops and maintains a list of major road construction and improvement projects, which includes seal extensions, road widening and smoothing of sealed and unsealed pavements. These projects are prioritised based on consistent and objective criteria. Such works form part of an ongoing policy of major road improvements that has been conducted by Council for more than 30 years. Most projects qualify for project funding from Land Transport New Zealand.

A number of the highest priority projects are targeted for completion each year, with the extent of these projects being dependant upon the level of Council funding available. In recent years the typical total cost of these construction and improvement projects has been in the order of \$1.5 to \$2 million per annum, but a reduced program with total costs of significantly less than \$1 million per annum is currently planned for 2006/7 to 2009/10 to maintain rating requirements at acceptable levels.

SERVICE CATEGORY	SERVICE CRITERIA	TARGET LEVEL & MEASUREMENT METHOD
Routine general pavement and bridge Maintenance	Various technical standards, as per requirements of ODC Contract 700 – Road Maintenance.	95% compliance from random inspections.
Response to hazardous or other identified defects requiring urgent action	Immediate signposting, temporary repairs within 48 hours, permanent repairs within one month.	100% compliance from service requester records.
Delineator Devices	As per requirements of ODC Contract 700 – Road Maintenance.	95% compliance from random inspections. Contractor records also to support standards being achieved.
Pavement Marking	Markings renewed once or twice per annum, depending on location.	95% compliance, based on marking contract schedules.
Maintenance Chip Reseals	Significant continuous pavement lengths remain waterproof and with adequate skid resistance.	100% compliance, based on assessment using Roding Asset Management Maintenance data & visual inspections.
Pavement Rehabilitation – Sealed Roads	Average National Association of Australian State Roding Authorities Roughness < 150.	95% of lane km. Assessed by bi-annual roughness survey.
Pavement Rehabilitation – Unsealed Roads	Prioritised improvement program based on objective criteria.	80% of annual programmed works completed by 30 June.
'Functional' (Customer Service) Aspects	Respond to all enquiries, requests or complaints Written responses provided to written enquiries, requests or complaints.	100% compliance, based on Service Requestor records 100% within 3 weeks of receipt, from Service Requester records.

Roading Assets

Council's roading assets include:

- 790 kilometres of rural roads
- 27 kilometres of urban roads
- 167 Bridges
- Streetlights, footpaths, signs etc.

Changes – demand and levels of service

In recent times the population of the District has been relatively static, following a long period of slow decline. It is considered unlikely that significant additional pressure will be placed on the roading network during the next 10 or 15 years, other than at a very few locations towards the northern boundary of the District. Identified target levels of service are also considered unlikely to significantly change during this period, though Council will continue an ongoing program of road improvements as funding permits.

Regional Land Transport Strategy

A major piece of regional policy that will affect the way in which the land transport system is developed in the Waikato Region, is nearing completion.

The Regional Land Transport Committee is currently preparing the Waikato Regional Land Transport Strategy for adoption by Environment Waikato.

The purpose of the Strategy is to guide the development and management of the land transport system in the Waikato Region over the next 10 years. (Refer Appendix 3).

Required additional asset capacity

No significant additional asset capacity is expected to be required in response to the minor changes in demand. The trend of significant growth in the north of the District has only recently become apparent, and only affects a relatively small area. As such its effects on required asset capacity are expected to be relatively small.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Asset maintenance, renewal and replacement

Asset maintenance, renewal and replacement will be undertaken by contractors as required.

Council's roading assets are currently well maintained and generally in sound condition and no particular problems are envisaged in sustaining this situation. Associated costs will be met by reserve funds, rates, loan monies or general funding.

Risks

Potential risks associated with this activity are mainly economic and include:

- Land Transport NZ subsidies are less than the level expected.
- Traffic volumes, the nature of road use and weather conditions may increase road requirements.
- Contract costs may increase at higher than expected rates.

5.1 Statement of Cost of Service – District Roading

	2005/06 Estimate	2005/06 Est Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
INCOME												
Otorohanga District												
Funding Assistance	2,820,417	2,927,493	2,854,550	3,009,884	3,177,851	3,075,110	3,380,998	3,618,261	3,748,916	3,731,325	3,768,984	4,050,335
Petrol Tax	98,000	100,000	100,000	102,600	105,000	107,400	109,500	111,600	113,400	115,100	116,600	118,200
User Fees and Charges	13,000	5,000	413,000	13,338	13,650	13,962	14,235	14,508	14,742	14,963	15,158	15,366
Development Contributions	-	-	-	-	-	-	-	-	-	-	-	-
	2,931,417	3,032,493	3,367,550	3,125,822	3,296,501	3,196,472	3,504,733	3,744,369	3,877,058	3,861,388	3,900,742	4,183,901
TOTAL INCOME	2,931,417	3,032,493	3,367,550	3,125,822	3,296,501	3,196,472	3,504,733	3,744,369	3,877,058	3,861,388	3,900,742	4,183,901
EXPENDITURE												
Otorohanga District												
Funding Assisted Works												
Structural Maintenance												
General Pavement Maintenance	1,450,000	1,670,000	1,610,000	1,651,860	1,690,500	1,729,140	1,762,950	1,796,760	1,825,740	1,853,110	1,877,260	1,903,020
Emergency Restoration	60,000	60,000	65,000	66,890	68,250	69,810	71,175	72,540	73,710	74,815	75,790	76,830
Bridge Maintenance	110,000	110,000	110,000	112,860	115,500	118,140	120,450	122,760	124,740	126,610	128,260	130,020
Corridor Maintenance												
Amenity/ Safety Maintenance	235,000	235,000	245,000	251,370	257,250	263,130	268,275	273,420	277,830	281,995	285,670	289,590
Street Cleaning	11,000	11,000	11,500	11,799	12,075	12,351	12,593	12,834	13,041	13,237	13,409	13,593
Level Crossing Maintenance	2,700	2,700	2,700	2,770	2,835	2,900	2,957	3,013	3,062	3,108	3,148	3,191
Traffic Services	120,000	120,000	130,000	133,380	136,500	139,620	142,350	145,080	147,420	149,630	151,580	153,660
Carraigeway Lighting	75,000	75,000	75,000	76,950	78,750	80,550	82,125	83,700	85,050	86,325	87,450	88,650
Professional Services	120,000	120,000	105,000	128,250	110,250	134,250	114,975	139,500	119,070	143,875	122,430	147,750
Depreciation	1,670,000	2,075,000	2,126,180	2,177,363	2,228,550	2,273,862	2,319,174	2,355,125	2,390,452	2,425,779	2,448,500	2,472,100
	3,853,700	4,478,700	4,480,380	4,613,292	4,700,460	4,823,753	4,897,023	5,004,732	5,060,115	5,158,483	5,193,497	5,278,404
Other Works												
General Expenditure	1,020,071	1,053,157	1,073,332	1,134,670	1,136,944	1,127,402	1,112,500	1,096,647	1,079,518	1,055,562	1,036,374	1,017,028
	1,020,071	1,053,157	1,073,332	1,134,670	1,136,944	1,127,402	1,112,500	1,096,647	1,079,518	1,055,562	1,036,374	1,017,028
TOTAL EXPENDITURE	4,873,771	5,531,857	5,553,712	5,747,962	5,837,404	5,951,155	6,009,524	6,101,380	6,139,632	6,214,045	6,229,871	6,295,432
OPERATING SURPLUS (DEFICIT)	(1,942,354)	(2,499,364)	(2,186,162)	(2,622,140)	(2,540,904)	(2,754,683)	(2,504,790)	(2,357,010)	(2,262,574)	(2,352,656)	(2,329,129)	(2,111,531)
FUNDED BY												
Rates and General Funding	1,923,399	2,368,842	2,327,449	2,622,140	2,540,904	2,754,683	2,504,790	2,357,010	2,262,574	2,352,656	2,329,129	2,111,531
Transfers to/from Reserves	-	-	-	-	-	-	-	-	-	-	-	-
Movement in Account Balances	18,955	130,522	(141,287)	-	-	0	(0)	-	0	(0)	-	-
	1,942,354	2,499,364	2,186,162	2,622,140	2,540,904	2,754,683	2,504,790	2,357,010	2,262,574	2,352,656	2,329,129	2,111,531
TOTAL FUNDING	1,942,354	2,499,364	2,186,162	2,622,140	2,540,904	2,754,683	2,504,790	2,357,010	2,262,574	2,352,656	2,329,129	2,111,531

* Additional income under user fees and charges in 2006/07 relates to contribution to works for Harpers Ave intersection.

5.2 Capital Expenditure – District Roading

	2005/06 Estimate	2005/06 Est Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
CAPITAL EXPENDITURE												
Transfund Assisted												
Otorohanga District												
Renewals	950,000	950,000	1,100,000	1,179,900	1,365,000	1,181,400	1,204,500	1,395,000	1,417,500	1,266,100	1,282,600	1,418,400
	950,000	950,000	1,100,000	1,179,900	1,365,000	1,181,400	1,204,500	1,395,000	1,417,500	1,266,100	1,282,600	1,418,400
Otorohanga Rural												
New Works	210,000	220,000	245,000	242,136	162,750	150,360	339,450	345,960	175,770	11,510	244,860	248,220
Renewals	1,679,000	1,706,000	1,268,000	1,496,934	1,569,750	1,557,300	1,790,325	1,969,740	2,347,380	2,532,200	2,337,830	2,629,950
	1,889,000	1,926,000	1,513,000	1,739,070	1,732,500	1,707,660	2,129,775	2,315,700	2,523,150	2,543,710	2,582,690	2,878,170
Otorohanga Community												
New Works	29,000	14,000	144,000	20,520	84,000	37,590	54,750	55,800	22,680	23,020	58,300	23,640
Renewals	41,000	10,000	41,000	42,066	42,000	42,960	38,325	11,160	11,340	11,510	11,660	11,820
	70,000	24,000	185,000	62,586	126,000	80,550	93,075	66,960	34,020	34,530	69,960	35,460
Kawhia Community												
New Works	25,000	15,000	5,000	-	21,000	10,740	21,900	11,160	11,340	11,510	11,660	-
Renewals	5,000	5,000	4,000	5,130	-	5,370	-	5,580	-	5,755	-	-
	30,000	20,000	9,000	5,130	21,000	16,110	21,900	16,740	11,340	17,265	11,660	-
Total Transfund Assisted	2,939,000	2,920,000	2,807,000	2,986,686	3,244,500	2,985,720	3,449,250	3,794,400	3,986,010	3,861,605	3,946,910	4,332,030
Council Funded												
Otorohanga District												
Loan Repayments	280,574	316,574	363,574	383,574	395,974	400,174	400,174	411,894	411,894	411,894	411,894	411,894
	280,574	316,574	363,574	383,574	395,974	400,174	400,174	411,894	411,894	411,894	411,894	411,894
Otorohanga Rural												
New Works	453,000	825,000	145,000	92,340	99,750	392,010	323,025	418,500	765,450	506,440	985,270	384,150
	453,000	825,000	145,000	92,340	99,750	392,010	323,025	418,500	765,450	506,440	985,270	384,150
Otorohanga Community												
New Works	60,000	25,000	435,000	164,160	78,750	155,730	235,425	72,540	73,710	74,815	75,790	17,730
	60,000	25,000	435,000	164,160	78,750	155,730	235,425	72,540	73,710	74,815	75,790	17,730
Kawhia Community												
New Works	75,000	75,000	55,000	46,170	42,000	48,330	142,350	11,160	34,020	11,510	11,660	11,820
	75,000	75,000	55,000	46,170	42,000	48,330	142,350	11,160	34,020	11,510	11,660	11,820
Total Council Funded	868,574	1,241,574	998,574	686,244	616,474	996,244	1,100,974	914,094	1,285,074	1,004,659	1,484,614	825,594
TOTAL CAPITAL EXPENDITURE	3,807,574	4,161,574	3,805,574	3,672,930	3,860,974	3,981,964	4,550,224	4,708,494	5,271,084	4,866,264	5,431,524	5,157,624
FUNDED BY												
Loans	825,000	1,175,000	500,000	310,000	105,000	-	-	-	-	-	-	-
Depreciation Reserves	1,670,000	2,075,000	2,126,180	2,177,363	2,228,550	2,273,862	2,319,174	2,355,125	2,390,452	2,425,779	2,448,500	2,472,100
Rates and General Funding	1,312,574	911,574	1,179,394	1,185,567	1,527,424	1,708,102	2,231,050	2,353,369	2,880,632	2,440,485	2,983,024	2,685,524
	3,807,574	4,161,574	3,805,574	3,672,930	3,860,974	3,981,964	4,550,224	4,708,494	5,271,084	4,866,264	5,431,524	5,157,624
TOTAL FUNDING	3,807,574	4,161,574	3,805,574	3,672,930	3,860,974	3,981,964	4,550,224	4,708,494	5,271,084	4,866,264	5,431,524	5,157,624

6.0 Drainage and Utility Services

Comprises Solid Waste, Water Supplies, Waste Water, and Flood Protection/ Stormwater/ Land Drainage.

Council considers the Community Outcomes (as sourced from Appendix 1) included in the following drainage and utility services to be applicable to these activities. These outcomes are not, in many cases, linked directly to particular activities, but Council has endeavoured to establish links as best it can. These activities are at an individual level, and form a part of the overall target levels of service discussed in the following sections.

6.1 Solid Waste

Rationale for delivery of activity

There is a community expectation that household waste is removed from properties and managed in an environmentally sound manner.

Council has no legal requirement to carry out this activity but believes that it will better protect the environment by providing cost effective and efficient methods of refuse disposal and recycling. It is also generally expected by the community that the Council will provide this service.

Following a public consultation process, Council adopted a Zero Waste Strategy in December 2002 which set out Council's proposals for providing refuse and recycling services throughout the District. It did however subsequently become apparent that very significant difficulties and costs would be encountered in achieving some of the objectives and targets that had been set out.

A review of Council's Solid Waste Management Strategy is therefore believed to be required, and no further significant changes to existing solid waste services will be made until such time as that review is complete.

Community Outcomes

- The community is working towards producing Zero Waste to landfill by 2010.
- Enhance our 'clean, green' image.
- The rural environment is not a dumping ground.

Council contribution to Community Outcomes

- Implementation of Zero Waste Strategy, once this strategy has been reviewed and updated.
- Have a green waste only dump station, a recycling depot etc.
- Encourage rural recycling.
- Adhere to Council's Zero-waste philosophy.
- Encourage schools to use Council's zero-waste educational resources.
- Educate people to use recycling stations and promote their usage.
- Encourage the appropriate disposal of farm waste, including hazardous drums, plastics and wraps and green waste.
- Discourage roadside dumping.

What is the extent of Council's responsibility?

- Council's solid waste activities comprise strategic planning, asset management and administration of contracts for delivery of refuse disposal and recycling services.
- Council ensures that refuse and recycling services are available on a cost effective basis for all properties within the Otorohanga, Kawhia and Aotea Communities, and that the potential for similar services elsewhere in the District is explored.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- To develop and operate solid waste disposal and recycling services in an efficient, cost effective and environmentally responsible manner.
- To work towards a progressive reduction of the quantity of solid waste going to landfill from the District

Note: These are not the target levels of service contained in the existing Solid Waste Management Strategy and Zero Waste Plan. Those targets are considered on hold pending review of these documents.

How do we measure progress?

- Services delivery contracts remain efficient and cost effective.
- Awareness and attitudes of residents towards 'zero waste' principles are progressively improved.
- Quantities of waste taken from the District for landfill disposal are progressively reduced.
- Achievement of compliance with Resource Consent Conditions for closed landfills.
- The extent of illegal dumping is reduced.
- A review of Council's Solid Waste Management Strategy and Zero Waste Implementation Plan is undertaken.

Solid Waste Assets

Recycling centre facilities exist in Otorohanga and Kawhia, and have recently received substantial upgrading. They will continue to be progressively developed to offer an increased range of services.

Changes – demand and levels of service

In recent times the population of the District has been relatively static, following a long period of slow decline. It is considered unlikely that significant additional pressure will be placed on existing solid waste assets by growth during the next 10 years.

Very significant increases in levels of service would however be required to achieve the targets set out in Council's Zero Waste Implementation Plan, but the difficulty and costs of such changes had been seriously underestimated. It is currently believed that a more appropriate strategy is to maintain or slowly improve existing levels of service.

Required additional asset capacity

No significant additional asset capacity is expected to be required in response to the minor changes in demand or target levels of service identified above.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Asset maintenance, renewal and replacement

Only very minor maintenance of solid waste assets is expected to be required during the period covered by the LTCCP. Associated costs will be met by reserve funds, rates, loan monies or general funding.

Risks

Maintaining existing solid waste disposal and recycling services will not have any significant adverse social or cultural effects on the community.

Adverse economic effects may, however, result if costs of disposal or recycling are significantly increased. Very significantly higher costs would result if the community was to reaffirm a desire for achievement of radical 'Zero Waste' targets, but this is considered unlikely.

Increased costs may also potentially lead to adverse environmental effects by encouraging undesirable alternative waste disposal practices.

6.2 Water Supplies

Rationale for delivery of activity

To provide potable water within Council's defined water supply areas, that meets agreed standards for quality and reasonable expectations of consumers for volume and pressure.

The Local Government Act 2002 restricts the ability of Council to discontinue provision of existing water supply activities.

Council currently owns and administers 7 potable water supply schemes, of which 5 are small rural supply schemes, which provide the majority of their water to farming operations, with less than 300 people supplied.

Information on this activity should be read in conjunction with the Assessment of Water and Sanitary Services, a summary of which is presented in Appendix 4. This document further explains these services and how they have been assessed. Proposed actions are also noted within the various sections which will be completed in conjunction with the target levels and performance measures set out in this document.

It should be noted that because the Assessment of Water and Sanitary Services was completed in advance of the LTCCP some matters referred to in the former document (such as Resources Consent issues) have been satisfactorily resolved and are therefore not referred to here.

Community Outcomes

- A good, clean water supply is maintained.
- Infrastructure is adequate to deal with environmental issues from any development.
- Facilities and services are maintained and improved in the rural and farming environment.

Council contribution to Community Outcomes

- Monitor water quality.
- Council to have a water management plan.
- Council continues to administer rural water schemes.

What is the extent of Council's responsibility?

- Council is responsible for ensuring reliable supply of potable water to both the main communities and to those rural areas where water supply schemes have been established.
 - Council undertakes strategic planning, asset management, supervision of operation (carried out by contractors) and associated administrative activity, including charging for water.
 - Council also co-operates with the Waikato District Health Board to ensure that treated water meets relevant quality standards.
-

Target levels of service

Council targets the following general levels of service:

- Continuous supply of adequate quantities of good quality water to all users.
- Sustainable management of water resources.
- Rapid effective response to supply problems.

Performance against these general levels of service is assessed based upon more specific targeted Technical Levels of Service, full details of which are contained in Council's Water Supply Asset Management Plan.

Target levels of service are for each year of the 10 years unless otherwise stated.

Summary details of some of the most significant of these more specific levels of service are presented in the following table.

Council's water supplies were last graded by the Ministry of Health in the mid 1990's with ratings of Cc, Ec and Cc being awarded for the Otorohanga, Kawhia and Tihiroa supplies respectively against the NZ Drinking Water Standard 1995, with other rural water supplies being rated as U (unclassified). These gradings have since expired and all schemes are currently unclassified against more recent standards. Because of this, and the reluctance of communities to undertake substantial upgrading work, Council has continued to use the NZ Drinking Water Standard 1984 as an achievable target standard for all supplies.

SERVICE CATEGORY	SERVICE CRITERIA	TARGET LEVEL & MEASUREMENT METHOD
Water Quality	Compliance with NZ Drinking water standard (1984).	100% compliance, based on water testing results.
Quantity of Water Taken	Compliance with resource consent conditions.	100% compliance, based on consent reports.
Flow and Pressure Adequacy – Urban Supplies	>15 l/min flow, > 200 kPa pressure (residential connections).	100% compliance from random testing.
Flow and Pressure Adequacy – Urban Supplies	Flow > 80% of peak property daily demand, >100 kPa pressure (rural supplies).	100% compliance from random testing.
Fire Fighting Capacity (Urban supplies only)	Compliance with NZ Fire Service Code of Practice.	>90% compliance, based on random hydrant tests.
Frequency of Reticulation Failure	Pipe bursts annually per 10km of reticulation.	<3, based on analysis of service records and contract reports.
Contractor Work Quality	Average annual contractor performance rating.	>80%, based on average of monthly performance assessments.
Supply Reliability	Number of high priority (urgent) service requests issued annually.	<100, based on ODC and contractor service request records.
Timeliness of Contractor Response	Proportion of service requests completed within specified timeframes.	>90%, based on ODC and contractor service request records.
Responses to Public Enquiries	Respond to enquiries about water pressure or flow within 5 days. Respond to enquiries about water pressure or flow within 10 days.	100% compliance, from Service Requester records. 100% within 3 weeks of receipt, from Service Requester records.

Water Supply Assets

Council owns water supply systems (treatment plants, reservoirs and reticulation serving the Otorohanga and Kawhia communities and the Waipa, Tihiroa, Arohena (3 separate supplies) and Ranginui rural supply areas.

Changes – demand and levels of service

Though there has been little overall growth of population in the District, there have been significant increases in demand for water in some areas served by Council administered supplies and some of these supplies are now approaching the limits of their capacity. Works to increase this capacity are therefore likely to be required within the period covered by this LTCCP. Identified target levels of service are also expected to significantly change during this period, due to the likely introduction of legislation requiring community water supplies to comply with the provisions of the New Zealand Drinking Water Standards 2005 (DWS 2005).

Council believes that the relevant communities are generally satisfied with existing water supply arrangements, despite the failure of these supplies to meet the requirements of DWS 2005, and indeed some other previous drinking water standards.

It is however likely that compliance with DWS 2005 will become mandatory in the near future, and Council will undertake the necessary actions to achieve this compliance when it is required. Because DWS compliance dates for particular supplies are expected to be based on the number of persons connected to that supply, it is not expected that ODC's supplies will be required to comply before 2009.

How additional asset capacity will be funded

Significant subsidy towards the costs of additional asset capacity will be sought from central government under the Ministry of the Environment's *Drinking Water Assistance Program* and the Ministry of Tourism's *Tourist Demand Subsidy Scheme*. Outstanding funding requirements will be obtained from reserve funds, rates, loan monies or general funding.

Required additional asset capacity

Significant upgrading of the water treatment systems serving the Otorohanga and Kawhia communities to address both water quantity and quality issues will be required during the next 10 years. It is also likely that all of Council's other water treatment plants will require some upgrading to achieve compliance with DWS 2005, though the likely extent of these upgrading works is not yet clear. It is believed that for Council's 5 small rural water schemes (which all fall into the 'Small Water Supply' category under DWS 2005) may be able to achieve compliance largely through improved risk management methods with only limited upgrading of assets.

Provision of additional asset capacity

Appropriate upgrades will be designed by specialist consultants, with the physical works being undertaken by contractors.

Estimated cost of additional asset capacity

The estimated total non-inflation adjusted cost of upgrades to water supplies over the next 10 years (including upgrades to improve drinking water quality) is estimated to be \$1.45 million, with the majority of this being spent on the Otorohanga and Kawhia community supplies. It is however recognised that this could be an under-estimate, if it is found that significant upgrading of assets is also required on the rural supply schemes. Further investigation work is required to clarify this.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

***Asset maintenance,
renewal and replacement***

Asset maintenance, renewal and replacement will be undertaken by contractors as required.

There has been an active program of water mains renewals in recent years and Council's water supply assets are currently well maintained and in sound condition and no particular problems are envisaged in sustaining this situation.

Associated costs will be met by reserve funds, rates, loan monies or general funding.

Risks

Potential significant adverse effects of water supply activities are environmental (in particular the effects of water abstraction) and economic (notably the costs associated with potential required increases in water quality and/or quantity).

Because many of the water sources currently utilised are relatively small in relation to the volume of water extracted from them, there is potential for conflict to arise in respect of community outcomes requiring good environmental management of bodies of water.

Similarly the limited size of current water sources are likely to require additional sources to be developed in the future if growth-orientated community outcomes are to be achieved, which in turn may place a significant economic burden on those communities.

In some cases there is also potential for increased water supply costs to cause existing rural consumers to abandon the existing supply schemes in favour of other private supply arrangements.

6.3 Waste Water

Rationale for delivery of activity

These activities are undertaken to prevent nuisance and health risks, and to meet the expectations of residents of larger communities.

Community Outcomes

- All bodies of water are returned to their original condition. They are recognised and enhanced as living ecosystems and as having cultural significance for tangata whenua (local residents/ people [of the land]).
- Infrastructure is adequate to deal with environmental issues from any development.
- That our countryside receives a high level of protection.

What is the extent of Council's responsibility?

- Council's wastewater activities comprise collection, treatment and disposal of wastewater from the Otorohanga Community.
 - Responsibilities include asset management, operation and maintenance of reticulation and treatment systems, monitoring of compliance with resource consent conditions and associated administration.
-

Council contribution to Community Outcomes

- Manage our sewage / effluent disposal.
 - Address sewerage problems.
 - Manage our sewage/ effluent disposal.
 - Consider the introduction of a reticulated sewerage scheme.
 - Ensure that Kawhia's septic tank systems are consistent with Environment Waikato policy.
 - Have adequate public toilets, parking and bi-lingual signage in place.
 - Develop environmental education programmes that highlight the importance of waterways, both environmentally and culturally.
-

Target levels of service

Council targets the following general levels of service:

- Reliable collection of wastewater from all connected properties.
- Effective management of quantities and qualities of discharges to the wastewater system.
- Efficient and cost effective treatment of wastewater to ensure no adverse effects on the environment.

Performance against these general levels of service is assessed based upon more specific targeted Technical Levels of Service, full details of which are contained in Council's Sanitary Services Asset Management Plan.

Target levels of service are for each year of the 10 years unless otherwise stated.

Summary details of some of the most significant of these more specific levels of service are presented in the table below:

SERVICE CATEGORY	SERVICE CRITERIA	TARGET LEVEL & MEASUREMENT METHOD
Availability	Proportion of allotments for which gravity sewer connections are available.	>99%, based on service records.
Odours or other adverse aesthetic effects	Annual incidents of adverse odour.	<2, based on Service Requester records.
Environmental effects – effluent disposal & sludge management	Compliance with Resource Consent Conditions.	100% compliance based on Resource Consent reports.
Planned Service Disruption	Duration less than 8 hours.	>100% compliance, based on observed performance and contractor reports.
Frequency of System Failure	Frequencies of system failures affecting private properties, pump stations and other public property.	< once per 200 properties per year, < once per 5 years and < once per 10km of main per year respectively – from Service Requester records .
Contractor Work Quality	Average annual contractor performance rating.	>80%, based on average of monthly performance assessments.
System Reliability	Number of high priority (urgent) service requests issued annually	<100, based on ODC and contractor service request records
Timeliness of Contractor Response	Proportion of service requests completed within specified timeframes	>90%, based on ODC and contractor service request records
Responses to Public Enquiries	Respond to enquiries within 5 days	100% compliance, from Service Requester records

Wastewater Assets

Council owns the wastewater reticulation and treatment system serving Otorohanga, which comprises:

- 11 pump stations
- 34km of reticulation
- Oxidation Pond / Wetland treatment facility

Changes – demand and levels of service

Though there is expected to be increasing residential development activity within the Otorohanga Community it is considered unlikely that significant additional pressure will be placed on existing wastewater assets during the next 10 years.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Asset maintenance, renewal and replacement

Asset maintenance, renewal and replacement will be undertaken by contractors as required.

Council's wastewater assets are currently well maintained and believed to be in sound condition, and no particular problems are envisaged in sustaining this situation in the future.

Associated costs will be met by reserve funds, rates, loan monies or general funding.

A shortfall in available central government funding has also recently resulted in plans for a reticulated wastewater system in Kawhia being put on hold for the foreseeable future. As such, demand for wastewater services and associated target levels of service are considered unlikely to significantly change during the period covered by the LTCCP.

Required additional asset capacity

No significant additional asset capacity is expected to be required in response to the minor changes in demand or target levels of service identified above.

Risks

Negative environmental effects may arise if increasing loading on the systems and/or inadequate operation and maintenance practices compromise the effectiveness of treatment processes.

Increasingly stringent resource consent or public health requirements also have potential to cause significant adverse economic impacts.

6.4 Flood Protection/ Stormwater/ Land Drainage

Rationale for delivery of activity

Council is required to administer urban drainage maintenance under the Land Drainage Act 1908. The provision of urban drainage protects private property (including land and assets) from flooding and subsequent erosion, and enables Council to fulfil its statutory responsibilities under the Building Act 1991. Environment Waikato has largely relieved Council of their responsibility for managing rural land drainage schemes.

Community Outcomes

- Infrastructure is adequate to deal with environmental issues from any development.
- All bodies of water are returned to their best possible condition. They are recognised and enhanced as living ecosystems and as having cultural significance for tangata whenua (local residents / people [of the land]).
- That our countryside receives a high level of protection.

Council contribution to Community Outcomes

- Liaise with Environment Waikato on erosion control – particularly stop banks.
- Ensure Kawhia's septic tank systems are consistent with Environment Waikato policy.
- A flood protection/ control system is in place.

What is the extent of Council's responsibility?

- Council provides, develops and maintains stormwater and flood protection systems that enable effective and environmentally sustainable discharge of stormwater from the Otorohanga and Kawhia communities.
- Major flooding of the Otorohanga community in 1958 led to construction of an extensive system of stop banks to protect the Community from the Waipa River. These flood protection measures continue to be managed by Council, with financial support from Environment Waikato.

Target levels of service

Council targets the following general levels of service:

- Maintain risks of property flooding at acceptably low levels.
- Provide rapid and effective response to stormwater system problems.
- Manage stormwater discharges so as to protect the environment.
- Operate and develop systems in accordance with Council's stormwater management plans.

Performance against these general levels of service is assessed based upon more specific targeted Technical Levels of Service, full details of which are contained in Council's Sanitary Services Asset Management Plan.

Target levels of service are for each year of the 10 years unless otherwise stated.

Summary details of some of the most significant of these more specific levels of service are presented in the table below:

SERVICE CATEGORY	SERVICE CRITERIA	TARGET LEVEL & MEASUREMENT METHOD
Availability	Proportion of allotments for which gravity stormwater connections are available	>99%, based on service records

Environmental effects – stormwater discharge	Compliance with Resource Consent Conditions	100% compliance based on Resource Consent reports
Planned Service Disruption	Duration less than 8 hours	>100% compliance, based on observed performance and contractor reports.
Flooding due to Public Drainage Fault	Frequencies of system failures affecting private properties, pump stations and stopbanks	< once per 200 properties per year, < once per year and < once per 100 years respectively – from service records
Contractor Work Quality	Average annual contractor performance rating	>80%, based on average of monthly performance assessments
System Reliability	Number of high priority (urgent) service requests issued annually	<100, based on ODC and contractor service request records
Timeliness of Contractor Response	Proportion of service requests completed within specified timeframes	>90%, based on ODC and contractor service request records
Responses to Public Enquiries	Respond to enquiries within 5 days	100% compliance, from Service Requester records

Stormwater Assets

Council's stormwater assets comprise of:

- 8km of piped drains
- 4km open drains
- 4 pump stations
- 3.5km of stop banks

Changes – demand and levels of service

Though there is expected to be increasing residential development activity within the Otorohanga and Kawhia Communities it is considered unlikely that significant additional pressure will be placed on existing stormwater, flood protection and land drainage assets during the next 10 years. It is also considered unlikely that target levels of service will significantly change during this period.

Required additional asset capacity

No significant additional asset capacity is expected to be required in response to the minor changes in demand or target levels of service identified above.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Asset maintenance, renewal and replacement

Asset maintenance, renewal and replacement will be undertaken by contractors as required.

Council's stormwater, flood protection and land drainage assets are currently well maintained and believed to be in sound condition, and no particular problems are envisaged in sustaining this situation in the future.

Associated costs will be met by reserve funds, rates, loan monies or general funding.

Risks

- If not appropriately managed Council's stormwater and flood protection activities have potential for significant adverse environmental effects, in particular:
- Failure of drainage infrastructure may result in localised flooding.
- Quantities and/or qualities of discharged stormwater have potential to adversely affect the receiving waters.
- Increasingly stringent resource consent requirements also have potential for economic impact on the Community, though such effects would be expected to be relatively minor.

6.5 Statement of Cost of Service – Drainage and Utility Services

	2005/06 Estimate	2005/06 Est Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
OPERATING INCOME												
Otorohanga Rural												
User Fees and Charges	395,169	398,906	411,392	434,664	452,988	472,640	501,171	517,806	534,016	549,270	563,715	577,300
	395,169	398,906	411,392	434,664	452,988	472,640	501,171	517,806	534,016	549,270	563,715	577,300
Otorohanga Community												
User Fees and Charges	180,578	193,399	194,690	208,535	223,936	237,285	249,766	260,247	266,869	273,823	288,782	295,274
Development Contributions	-	-	-	-	-	-	-	-	-	-	-	-
	180,578	193,399	194,690	208,535	223,936	237,285	249,766	260,247	266,869	273,823	288,782	295,274
Kawhia Community												
User Fees and Charges	16,116	58,491	18,842	356,839	12,217	13,704	14,944	16,162	16,712	18,140	19,535	21,085
Development Contributions	-	-	-	-	-	-	-	-	-	-	-	-
	16,116	58,491	18,842	356,839	12,217	13,704	14,944	16,162	16,712	18,140	19,535	21,085
TOTAL OPERATING INCOME	591,863	650,796	624,924	1,000,038	689,140	723,629	765,881	794,215	817,596	841,232	872,032	893,659
OPERATING EXPENDITURE												
Otorohanga Rural												
Aotea Refuse Collection	17,000	19,400	16,250	22,937	23,624	24,245	24,843	28,848	29,452	29,980	30,483	30,961
Water Supplies	363,100	376,038	392,941	397,213	432,026	450,137	470,075	489,157	497,436	507,028	521,102	527,971
Drainage Districts	26,000	21,000	23,150	-	-	-	-	-	-	-	-	-
	406,100	416,438	432,341	420,150	455,650	474,382	494,918	518,005	526,888	537,008	551,585	558,932
Otorohanga Community												
Refuse Collection & Disposal	124,794	125,307	128,893	132,943	135,444	137,188	138,808	140,778	142,088	143,086	144,424	145,207
Water Supply	444,337	460,130	481,250	498,138	558,535	574,756	580,276	605,529	605,130	608,901	628,320	628,696
Sewerage Treatment & Reticulation	360,782	393,317	404,533	400,869	407,935	409,821	415,391	437,504	428,434	427,985	438,521	437,710
Stormwater Drainage	71,059	61,218	63,465	65,565	68,911	72,620	76,893	78,542	77,972	77,318	78,270	77,557
Flood Protection	86,606	78,588	81,406	87,308	95,106	102,315	103,160	106,435	107,599	108,566	117,043	114,363
	1,087,578	1,118,561	1,159,548	1,184,823	1,265,932	1,296,700	1,314,528	1,368,789	1,361,222	1,365,857	1,406,579	1,403,533
Kawhia Community												
Refuse Collection & Disposal	100,761	95,374	100,723	102,916	105,165	107,099	108,944	110,756	112,340	113,664	114,955	116,103
Water Supply	111,217	163,655	118,635	126,359	140,309	144,079	146,582	153,783	155,964	157,972	162,552	164,310
Stormwater Drainage	34,852	35,070	33,686	32,879	32,962	32,136	31,297	31,195	30,336	29,455	29,129	28,233
	246,830	294,099	253,043	262,154	278,436	283,314	286,823	295,734	298,640	301,091	306,636	308,647
TOTAL OPERATING EXPENDITURE	1,740,508	1,829,098	1,844,932	1,867,126	2,000,019	2,054,396	2,096,268	2,182,528	2,186,750	2,203,956	2,264,800	2,271,111
OPERATING SURPLUS (DEFICIT)	(1,148,645)	(1,178,302)	(1,220,007)	(867,089)	(1,310,879)	(1,330,767)	(1,330,387)	(1,388,313)	(1,369,153)	(1,362,724)	(1,392,768)	(1,377,452)
FUNDED BY												
Otorohanga District												
Rates and General Funding	1,130,195	1,125,503	1,197,330	857,795	1,233,762	1,277,750	1,306,510	1,318,517	1,381,481	1,388,341	1,306,408	1,435,646
Transfers to/ from Reserves	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation not Funded	31,500	35,500	36,000	36,000	40,788	40,788	41,921	46,028	46,028	46,028	49,136	49,136
Movement in Account Balances	(13,050)	17,299	(13,322)	(26,706)	36,328	12,229	(18,044)	23,768	(58,355)	(71,645)	37,225	(107,329)
	1,148,645	1,178,302	1,220,007	867,089	1,310,879	1,330,767	1,330,387	1,388,313	1,369,153	1,362,724	1,392,768	1,377,452
TOTAL FUNDING	1,148,645	1,178,302	1,220,007	867,089	1,310,879	1,330,767	1,330,387	1,388,313	1,369,153	1,362,724	1,392,768	1,377,452
Total Operating Expenditure includes Depreciation of:	350,400	357,500	400,480	405,880	416,880	483,086	488,751	491,867	545,943	545,943	545,943	584,458

* Additional income for Kawhia Community in 2007/08 relates to a one-off grant towards Kawhia water supply treatment plant upgrade.

* Drainage districts are now operated by Environment Waikato. Operating expenditure in 2005/06 and 2006/07 relates to stream legalisation work.

6.6 Capital Expenditure – Drainage and Utility Services

	2005/06 Estimate	2005/06 Est Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
CAPITAL EXPENDITURE												
Otorohanga Rural												
Renewals/ New Works	45,500	41,500	88,000	28,134	132,248	106,780	29,050	35,940	30,800	27,808	50,427	42,304
Loan Repayments	34,316	34,317	34,317	26,912	19,545	12,578	13,698	13,698	13,698	13,698	13,698	13,698
	79,816	75,817	122,317	55,046	151,793	119,358	42,748	49,638	44,498	41,506	64,125	56,002
Otorohanga Community												
Renewals/ New Works	222,000	205,500	310,000	605,660	595,665	216,838	187,365	231,345	86,849	127,189	178,765	68,815
Loan Repayments	149,739	145,249	148,891	150,295	166,454	183,350	187,178	189,412	189,412	189,412	189,412	189,412
	371,739	350,749	458,891	755,955	762,119	400,188	374,543	420,757	276,261	316,601	368,177	258,227
Kawhia Community												
Renewals/ New Works	30,000	33,000	5,000	479,155	5,420	11,240	17,205	53,085	12,320	12,640	12,930	39,660
Loan Repayments	28,590	28,430	28,830	28,830	31,430	31,430	31,430	31,430	31,430	31,430	31,430	31,430
	58,590	61,430	33,830	507,985	36,850	42,670	48,635	84,515	43,750	44,070	44,360	71,090
TOTAL CAPITAL EXPENDITURE	510,145	487,995	615,037	1,318,985	950,762	562,216	465,926	554,910	364,509	402,177	476,662	385,319
FUNDED BY												
Otorohanga District												
Loans	153,500	101,050	209,350	468,980	432,400	123,700	55,850	-	-	-	-	-
Depreciation Reserves	289,489	319,955	342,761	412,528	433,759	359,489	311,852	422,442	297,366	329,062	299,412	322,061
Rates and General Funding	67,156	66,990	62,926	437,478	84,603	79,027	98,224	132,468	67,143	73,115	177,250	63,258
	510,145	487,995	615,037	1,318,985	950,762	562,216	465,926	554,910	364,509	402,177	476,662	385,319
TOTAL FUNDING	510,145	487,995	615,037	1,318,985	950,762	562,216	465,926	554,910	364,509	402,177	476,662	385,319

Otorohanga Community

2007/08 Renewal Expenditure includes \$364,700 for plant upgrade at the Otorohanga Treatment Plant.

2008/09 Renewal Expenditure includes \$325,200 for new reservoir for Otorohanga Community Water Supply.

Kawhia Community

2007/08 Renewal Expenditure includes \$458,480 for treatment plant upgrade at Kawhia Water Supply.

7.0 Community Services

Comprises Parks and Reserves, Cemeteries, Security Patrol, Library, Swimming Pool, and District Sports Co-ordinator Scheme.

7.1 Parks and Reserves (including public conveniences)

Rationale for delivery of activity

Council's involvement in parks, reserves and associated activities is in part based upon provisions of the Reserves Act 1977 and the Resource Management Act 1991 and is also intended to improve the general quality of life for the residents in the District. In particular the parks and reserves provide facilities for passive or active enjoyment by residents and visitors alike.

Community Outcomes

- The community has ready access to its natural environment.
- The community is enhanced through appropriate plantings.
- All public open spaces are preserved, enhanced and made accessible to the public 24 hours a day.
- Otorohanga is a must-see tourism destination. Its many attributes are enhanced, including its natural features, such as rivers, gardens and Kahikatea remnants, its position as a travel gateway and Tourism New Zealand's categorisation of Otorohanga as an 'ideal town'.
- Our identity is preserved and fostered. This includes our Māori and Pakeha inheritance and recognition of all cultures and religions.
- The harbour and surrounds be cleaned up, preserved and protected (similar to the Raglan harbour care project).
- Infrastructure is adequate to deal with environmental issues from any development.
- That our countryside receives a high level of protection.

Council contribution to Community Outcomes

- Continued development of Otorohanga Domain (Bush Park).
- Support development of the Kiwi House.
- Enhance and develop access to, and passive recreation areas on, riverbank reserve.
- Review landscape plan.
- Development of Otorohanga domain.
- Preserve the historic Huiputea Tree area.
- Investigate options for development of the area between the garage and the museum.
- Have adequate public toilets, parking and bi-lingual signage in place.
- Continue the development of public reserves in Kawhia.
- Protect and promote our parks and reserves.
- Develop access to the river.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- Maintenance of all amenities to standards appropriate for their intended uses.
- No more than two public complaints per month regarding presentation of Council administered reserves and toilets.

How do we measure progress?

By ensuring that there is:

- Planned inspections and other audits of contractor performance.
- Analysis of service records.

- Progressive development of reserves in Otorohanga and Kawhia in accordance with landscape plan documents.
 - Implementation of an annual improvement project (from landscape plans) in both Kawhia and Otorohanga.
 - Updating and revision of landscape and reserve management plans as required.
-

Parks and Reserves Assets

Council owns and administers approximately:

- 300 parcels of land classified as Parks or Reserves, which have in total an area of approximately 500Ha.
- 6 public toilet facilities.

Changes – demand and levels of service

Only limited increases in demand for parks and reserves assets is expected, but some improvement in the level of service from existing assets is also sought during the period covered by the LTCCP.

Required additional asset capacity

Only relatively minor additional asset capacity is expected to be required in response to the minor changes in demand or target levels of service identified above. Levels of service will however be significantly raised through improvements to existing assets.

Provision of additional asset capacity

New or improved reserves in accordance with relevant Landscape Plans will be designed and constructed by Council staff and/or consultants and contractors.

Estimated cost of additional asset capacity

The estimated total non-inflation adjusted cost of additions or improvements to parks and reserves over the next 10 years is estimated to be in the order of \$0.5 million.

Risks

Demand for higher service standards (e.g. moving riverbank reserves) leads to increased costs.

How additional asset capacity will be funded.

The most significant source of funding for additional or improved parks and reserves assets will be from Reserve Contributions. Outstanding funding requirements will be obtained from reserve funds, rates, loan monies or general funding.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Asset maintenance, renewal and replacement

Asset maintenance, renewal and replacement will be undertaken by Council staff or contractors as required. The condition of Council's parks and reserves assets is variable, but a recent increase in Reserve Contributions will assist in enabling necessary asset renewals or replacements.

7.2 Library

Rationale for delivery of activity

Council provides the Library to meet the expectations of the Community. The primary role is to provide written and recorded media, such as books and videos and access to electronic information. This material is used for many purposes including, entertainment, learning and research.

Community Outcomes

- The community values life-long learning.

Council contribution to Community Outcomes

- Encourage greater use of the library.
- What is the extent of Council's responsibility?
- Council is the service provider for the Library.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- Accessible, high quality library service.

How do we measure progress?

- By comparing library standards to those of the Standards for New Zealand Public Libraries (2004) to ensure compliance.
- Library to provide holiday programmes for children.
- Library to produce quarterly newsletter.
- Library to promote use of the libraries through at least four activities such as class visits, displays, visiting speakers and special events.

Library Assets

Otorohanga Library complex.

Stock of books and non-book materials, computer equipment etc.

Asset maintenance, renewal and replacement

No addition asset capacity has been identified. Provision has been made for the increasing cost of replacement and/or new books. Asset maintenance will be undertaken by Council staff or contractors as required.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Risks

Cost of books increases.

Costs associated with providing access to electronic resources, library catalogue and on-line data.

Patronage decreases because resources do not meet community expectation.

The effect of the Internet.

7.3 Swimming Pool

Rationale for delivery of activity

Council carries out this activity to meet the expectations of the Community. There is no legal obligation to do so.

Community Outcomes

- Services are provided for youth.
- That sporting/ recreational facilities are available and affordable for people to use.

Council contribution to Community Outcomes

- A range of options, including a youth forum.
- Encourage the use of sporting and recreational facilities.

What is the extent of Council's responsibility?

- Council owns and maintains a facility to enable year-round swimming and other water based exercise by individuals and groups from the District. The facility is operated on Council's behalf by a contractor.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- Effective management and encouragement of use of the swimming pool complex by the community and visitors.
- Contractor required to meet standards of supervision recommended in NZRA Swimming Pool Guidelines 1999, and test pool water quality in accordance with NZS 5826: 2000.
- Pool Management is also to comply with Water Safety NZ / ACC Poolsafe Quality Management Scheme.

How do we measure progress?

- Review and action where necessary contractor reports on pool water usage and monitoring of key quality indicators.
- Positive feedback from users through annual surveys to public.

Swimming Pool Assets

The pool facility comprises an indoor/outdoor swimming complex in Otorohanga with associated gymnasium facilities. In recent years Council has significantly upgraded the facility.

Changes – demand and levels of service

After recent significant increases in both demand and levels of service in respect of the swimming pool, it is now believed that a relative plateau has been reached, from which further significant changes are not expected during the period covered by the LTCCP.

Asset maintenance, renewal and replacement

Asset maintenance, renewal and replacement will be undertaken by Council staff or contractors as required. The condition of Council's swimming pool assets is generally sound, and only relatively limited maintenance and renewal inputs are expected to be required to sustain this over the period of the LTCCP.

Associated costs will be met by reserve funds, rates, loan monies or general funding.

Required additional asset capacity

No significant additional asset capacity is expected to be required during the next 10 years.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Risks

Operation and maintenance of the pool complex is already a relatively expensive activity, and these costs may increase in the future due to the age of the facility and increases in other significant cost components such as energy.

As such the activity may have an adverse economic impact on the Community.

7.4 Cemeteries

Rationale for delivery of activity

The Activity is undertaken to comply with legislation under Section 4 of the Burial and Cremations Act 1964, and to meet the expectations of the Community.

Community Outcomes

- This activity does not contribute directly to community outcomes as currently identified.

Council contribution to Community Outcomes

Nil.

What is the extent of Council's responsibility?

- Council owns, develops, maintains and administers the operation (including associated record keeping) of public cemeteries to satisfy local needs in respect of burials.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- Compliance of cemetery management and maintenance with the requirements of the Burial and Cremation Act 1968 and associated regulations and Bylaws.
- Maintaining facilities to standards in accordance with operational contracts, with less than 10 justified complaints per annum.

How do we measure progress?

By ensuring on an annual basis that:

- Cemetery management and maintenance complies with the requirements of the Burial and Cremation Act 1968, and associated Regulations and Bylaws.
- Cemeteries are maintained to the standards specified in the operational contracts.

Cemetery Assets

- Otorohanga Cemetery.
- Kawhia Cemetery.

Changes – demand and levels of service

No significant changes in demand or required level of service from these assets are expected over the next 10 years.

Required additional asset capacity

No significant additional asset capacity is expected to be required during the next 10 years.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Asset maintenance, renewal and replacement

Asset maintenance, renewal and replacement will be undertaken by Council staff or contractors as required. The extent of these required activities will be relatively low.

Associated costs will be met by reserve funds, rates, loan monies or general funding

Risks

No significant negative social, cultural, environmental or economic effects are expected to result from this activity.

7.5 Security Patrol

Rationale for delivery of activity

Due to an approach by local businesses to provide the service as the demand for a privately owned scheme did not exist.

Community Outcomes

- Otorohanga is a safe environment to live and play.

Council contribution to Community Outcomes

Nil.

What is the extent of Council's responsibility?

- To provide patrol services for defined area during night time hours.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- To ensure that the terms of the contract are fulfilled.

How do we measure progress?

- By ensuring a nightly security patrol is provided for 8 hours per night by a registered officer.

Security Patrol Assets

There are no assets for this activity.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Risks

There are no known risks.

7.6 District Sports Co-ordinator Scheme

Rationale for delivery of activity

Council's role in this scheme satisfies part of its Mission Statement by recognising the social need to promote physical activity.

Community Outcomes

- Services are provided for youth.
- There is an adequate range of health and well-being, youth and adult social services provided in Kawhia.
- That sporting / recreation facilities are available and affordable for people to use.

Council contribution to Community Outcomes

- Develop health and well-being services.
- Encourage the use of sporting / recreational facilities.
- A range of options, including a youth forum.

What is the extent of Council's responsibility?

- To monitor the effectiveness of the District Sports Co-ordinator scheme.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- Promotion of better communication for sport throughout the whole District.
- Running of educational seminars.
- Co-ordination of a holiday programme for the children.

How do we measure progress?

- By ensuring that the District Sports Co-ordinator reports to Council regularly on activities undertaken.

Sports Scheme Assets

There are no assets for this activity.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Risks

Due to increasing costs of service, the long term implications of high standards are the ability to fund these desired standards.

Council needs to be able to balance these standards within the set budget taking into account all other aspects of the community being environmental, economic, cultural and social requirements.

7.7 Statement of Cost of Service – Community Services

	2005/06 Estimate	2005/06 Est Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
INCOME												
Otorohanga Rural												
User Fees and Charges	8,787	9,653	9,244	9,693	68,227	70,026	72,166	74,241	75,783	77,132	78,417	79,637
Development Contributions	10,000	28,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
	18,787	37,653	59,244	59,693	118,227	120,026	122,166	124,241	125,783	127,132	128,417	129,637
Otorohanga Community												
User Fees and Charges	51,197	48,459	50,015	51,834	53,474	55,316	56,074	57,613	59,818	61,879	63,892	62,089
Development Contributions	-	-	-	-	-	-	-	-	-	-	-	-
	51,197	48,459	50,015	51,834	53,474	55,316	56,074	57,613	59,818	61,879	63,892	62,089
Kawhia Community												
User Fees and Charges	8,022	11,325	10,543	11,707	12,871	14,267	15,653	17,030	12,799	14,388	15,969	17,800
	8,022	11,325	10,543	11,707	12,871	14,267	15,653	17,030	12,799	14,388	15,969	17,800
TOTAL INCOME	78,006	97,437	119,801	123,234	184,572	189,609	193,893	198,884	198,400	203,400	208,278	209,526
EXPENDITURE												
Otorohanga District												
Sundry District Reserves & Public Conveniences	429,990	429,902	446,669	476,757	515,573	537,780	548,938	568,830	577,836	586,852	604,507	612,827
Halls	22,390	30,274	30,261	30,286	33,381	33,405	33,426	36,517	36,536	36,553	39,639	39,654
District Co-ordinator Scheme	60,000	60,000	62,250	64,171	66,093	67,830	69,502	71,113	72,600	73,902	75,141	76,318
	512,380	520,176	539,180	571,215	615,047	639,015	651,867	676,460	686,972	697,307	719,287	728,798
Otorohanga Community												
Pools	264,670	271,491	276,731	298,002	311,019	315,732	320,196	332,054	335,830	338,920	349,395	352,016
Cemetery	31,726	32,979	33,929	34,685	35,527	36,202	36,836	37,528	38,078	38,542	39,059	39,461
Library	198,555	224,255	224,936	234,779	238,710	241,094	243,059	247,027	250,748	254,068	257,090	264,946
Security Patrol	91,000	89,500	93,200	101,027	104,054	108,949	108,873	114,215	113,732	118,687	117,717	122,560
	585,951	618,224	628,796	668,493	689,310	701,977	708,964	730,824	738,387	750,217	763,261	778,984
Kawhia Community												
Wharf	23,100	26,150	27,700	27,950	33,990	34,218	34,433	40,432	40,625	40,794	46,744	46,896
Cemetery	13,700	12,000	12,700	13,083	13,465	13,814	14,144	14,464	14,760	15,019	15,265	15,498
Community Centre	12,327	14,294	16,696	16,291	18,300	18,298	18,296	20,305	20,304	20,302	22,310	22,309
	49,127	52,644	57,096	57,324	65,755	66,329	66,874	75,202	75,688	76,115	84,319	84,704
TOTAL EXPENDITURE	1,147,458	1,191,044	1,225,072	1,297,032	1,370,112	1,407,321	1,427,705	1,482,486	1,501,047	1,523,639	1,566,868	1,592,486
OPERATING SURPLUS (DEFICIT)	(1,069,452)	(1,093,607)	(1,105,271)	(1,173,798)	(1,185,540)	(1,217,712)	(1,233,812)	(1,283,602)	(1,302,647)	(1,320,239)	(1,358,590)	(1,382,960)
FUNDED BY												
Otorohanga District												
Rates and General Funding	1,068,886	1,099,968	1,138,939	1,207,411	1,214,099	1,244,458	1,262,885	1,306,378	1,327,870	1,343,031	1,378,823	1,400,688
Transfers to/ from Reserves	(10,000)	(28,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Depreciation not Funded	7,860	16,931	16,931	16,931	22,010	22,010	22,010	27,090	27,090	27,090	32,169	32,169
Movement in Account Balances	2,706	4,708	(599)	(544)	(570)	1,244	(1,084)	135	(2,312)	119	(2,402)	103
	1,069,452	1,093,607	1,105,271	1,173,798	1,185,540	1,217,712	1,233,812	1,283,602	1,302,647	1,320,239	1,358,590	1,382,960
TOTAL FUNDING	1,069,452	1,093,607	1,105,271	1,173,798	1,185,540	1,217,712	1,233,812	1,283,602	1,302,647	1,320,239	1,358,590	1,382,960
Total Operating Expenditure includes Depreciation of:	87,159	98,660	140,686	140,811	140,811	168,384	168,384	168,384	195,958	195,958	195,958	223,531

7.8 Capital Expenditure – Community Services

	2005/06 Estimate	2005/06 Est Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
CAPITAL EXPENDITURE												
Otorohanga Rural												
Renewals/ New Works	105,000	280,000	100,500	623,755	130,626	47,960	58,084	88,011	101,529	91,476	93,016	94,479
Loan Repayments	3,385	1,393	9,393	9,393	29,393	29,393	29,393	29,393	29,393	29,393	29,393	29,393
	108,385	281,393	109,893	633,148	160,019	77,353	87,477	117,404	130,922	120,869	122,409	123,872
Otorohanga Community												
Renewals/ New Works	71,500	85,500	70,000	71,139	76,464	75,210	106,115	56,007	57,183	58,212	59,192	71,166
Loan Repayments	19,515	26,205	26,205	27,205	27,205	27,205	27,205	27,205	27,205	27,205	27,205	27,205
	91,015	111,705	96,205	98,344	103,669	102,415	133,320	83,212	84,388	85,417	86,397	98,371
Kawhia Community												
Renewals/ New Works	7,500	33,300	-	-	5,310	5,450	-	156,020	7,586	-	-	-
Loan Repayments	680	440	440	440	440	440	440	440	440	440	440	440
	8,180	33,740	440	440	5,750	5,890	440	156,459	8,025	440	440	440
TOTAL CAPITAL EXPENDITURE	207,580	426,838	206,538	731,932	269,438	185,658	221,237	357,076	223,336	206,726	209,246	222,683
FUNDED BY												
Otorohanga District												
Loans	-	200,000	25,000	500,000	-	-	-	-	-	-	-	-
Depreciation Reserves	74,500	127,287	93,736	104,957	110,346	124,350	105,945	244,680	114,680	114,680	123,680	123,680
Special Funds	50,000	38,000	83,500	70,000	90,000	40,000	50,000	50,000	50,000	50,000	50,000	50,000
Rates and General Funding	83,080	61,551	4,302	56,975	69,092	21,308	65,292	62,396	58,656	42,046	35,566	49,003
	207,580	426,838	206,538	731,932	269,438	185,658	221,237	357,076	223,336	206,726	209,246	222,683
TOTAL FUNDING	207,580	426,838	206,538	731,932	269,438	185,658	221,237	357,076	223,336	206,726	209,246	222,683

8.0 Environmental Services

Comprises Building Control, Planning and Development, Civil Defence, Dog Control, Stock Ranging and Impounding and Environmental Health.

8.1 Building Control

Rationale for delivery of activity

The rationale for this group of activities is to safeguard people and property by monitoring, inspecting and controlling all building construction and modifications in accordance with the Building Act 2004.

Community Outcomes

- Otorohanga has housing that satisfies the needs of the community and those who may consider joining the community.
- All residents have equal access to services and facilities.

Council contribution to Community Outcomes

- Encourage sustainable building / housing design.
- Implement the Disability Strategy 2001
- What is the extent of Council's responsibility?
- Council has a range of statutory responsibilities, which are defined in the Building Act 2004 and other statutory documents.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- Applications are constantly checked to ensure consents are consistently processed within the set timeframes and in line with policy guidelines.
- Thorough inspection checks are made to ensure terms and conditions of consents are complied with.

How do we measure progress?

By ensuring that:

- 95% of the estimated 300 building consent applications received by the Council are processed within 15 working days.
- All premises are inspected at appropriate times during construction.

Building Control Assets

There are no assets for this activity.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Risks

Due to possible increases in compliance costs, Council maintains a policy of "user-pays" to ensure those persons or parties responsible contribute an appropriate amount towards the costs incurred, in order to reduce the burden on other ratepayers in the District and therefore keeping further rate increases to a minimum.

8.2 Planning and Development

Rationale for delivery of activity

This activity exists as a result of the statutory requirements of the Resource Management Act 1991. Under this Act Council is required to promote the sustainable management of natural and physical resources and to enable people and communities to provide for their social, economic, and cultural well-being.

Community Outcomes

- Existing economic strengths in the community are promoted and make the town an attractive destination for the small to medium businesses. That the business community is vibrant and progressive and a cornerstone of the greater community.
- Employment and business opportunities are increased and enhanced, and people in Kawhia benefit from these.
- All bodies of water are returned to their best possible condition. They are recognised and enhanced as living ecosystems and as having cultural significance for tangata whenua (local residents / people [of the land]).
- 'Ownership' of, and hence a sense of responsibility with, environmental issues is fostered in the community.
- A good, clean water supply is maintained.
- The concept of sustainable environmental management is promoted.
- The harbour and surrounds be cleaned up, preserved and protected (similar to the Raglan harbour care project).
- Infrastructure is adequate to deal with environmental issues from any development
- Appropriate environmental guidelines and controls are in place for Kawhia and they are enforced.
- A town theme is developed, based upon Kawhia's unique historical, environmental, and "Kiwi bach" culture, in order to maintain its unique individuality and culture.
- Our identity is preserved and fostered. This includes our Māori and Pakeha inheritance and recognition of all cultures and religions.

Council contribution to Community Outcomes

- Include side streets in the extension of the CBD.
- Fundamentally entwined with Resource Management requirements.
- Identify, mark and preserve sacred and historic sites.
- Keep rates down by encouraging development that will complement Kawhia.
- Develop affordable freehold sections for Kawhia to grow.
- Address sewage problems.
- Work towards undergrounding power lines.
- Review planning documents to ensure environmental controls are appropriate.
- Investigate supporting the existing culture through changes to the District Plan.
- Protect the unique characteristics of Otorohanga's coastal and rural environment.
- Forward planning is undertaken to ensure population growth and economic activity are well managed and balanced with existing rural activities.
- That the requirements in the District Plan for relocatable dwellings be enforced.
- Monitor subdivision and use of rural and coastal land.
- Regulate, monitor and police vehicles on beaches and public reserves.
- Protect the unique characteristics of Otorohanga's coastal and rural environment.
- Protect our biodiversity, including indigenous species and habitats.

- Kawhia remains affordable to the average New Zealander.
- There is an adequate range of health and well-being, youth and adult social services provided in Kawhia.
- The Māori character of Kawhia is recognised and enhanced.
- Wahi Tapu sites should be identified and protected. This includes historically significant sites for all cultures.
- Our children are able to experience the culture of rural and coastal life fully.
- That lifestyle blocks, particularly surrounding the urban areas, are managed to ensure that they do not conflict or inhibit existing rural activities.
- That land-use is sustainable.
- That Kawhia and Aotea Harbours are acknowledged to be unique environments.
- That rural activities take precedence in the rural area.
- That our estuaries, harbours, waterways and wetlands are protected.
- Develop environmental education programmes that highlight the importance of waterways, both environmentally and culturally.
- Development of a harbour management plan.
- Rural risks need to be considered when land is being subdivided.
- Biosecurity controls need to be enforced.
- Meet regularly with marae committees.
- Work with the Department of Conservation.
- Monitor water quality.
- Manage our water catchments.
- Maintain water standards at a high standard.
- Minimise stream degradation and erosion.
- Encourage sustainable riparian management.

What is the extent of Council's Responsibility?

Council has a wide range of statutory responsibilities under the Resource Management Act 1991 and other enactments.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- That community outcomes identified are actioned and achieved.
- 95% of non-notified land use and subdivision consents are issued within 15 working days.

How do we measure progress?

- Monitor the actions and outputs in achieving community outcomes.
- To assess the effect of activities on the environment, Council requires resource consents to be obtained for various land-use and subdivision activities. Resource consents are processed in the targeted timeframe in accordance with provisions of the District Plan.

Planning and Development Assets

There are no assets for this activity.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Risks

Legislative change.

8.3 Civil Defence

Rationale for delivery of activity

The rationale for this activity is to fulfil Council's legal obligation under the Civil Defence Emergency Management Act 2002 and to fulfil the Community's expectation that this service will be provided.

Community Outcomes

- That rural communities are aware of civil defence procedures.

Council contribution to Community Outcomes

- Ensure that local communities can cope with Civil Defence emergencies in the first instance.

What is the extent of Council's responsibility?

- Council works with Environment Waikato, and the Hamilton, Waikato, Waipa, and Waitomo Councils to form the Waikato Valley Emergency Operating Area.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- Update the local civil defence emergency management plan by 1 June 2006.
- Staff to be prepared for an emergency.

How do we measure progress?

- The Council has appropriate documentation in place to ensure correct procedures are followed in an emergency.
- Civil Defence is ready to respond to any natural or manmade emergency.
- Staff to have undertaken New Zealand Co-ordinated Incident Management System level 2 training.

Civil Defence Assets

Trailer with associated equipment and shared RT system.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Risks

Loss of control from regionalisation.

8.4 Dog Control

Rationale for delivery of activity

The rationale for this activity is to service the Community's expectation for health, order and safety and to meet the Council's statutory obligations under the Dog Control Act 1996.

Community Outcomes

- Otorohanga is a safe environment to live and play.
- Council contribution to Community Outcomes
- Enforce dog control and provide a dog exercise area.

What is the extent of Council's responsibility?

Services include:

- The registration of dogs.
- The provision of a dog impounding service.
- The investigation of dog complaints.
- The education of dog owner's and the general public.
- The performance of enforcement activities.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- Promote the control of dogs in public places and prevent them from menacing people or wildlife.

How do we measure progress?

By ensuring that:

- Complaints about dogs are dealt with in a timely and appropriate manner.
- 100% of known and locatable dogs are registered.

Dog Control Assets

Dog Pound at Otorohanga.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Asset maintenance, renewal and replacement

No additional Asset capacity has been identified. Asset maintenance will be undertaken by Council staff or contractors as required.

Risks

Legislative change.

8.5 Stock Ranging and Impounding

Rationale for delivery of activity

The law relating to the establishment and management of public pounds, trespassing and wandering stock, and the impounding of stock provided under the provisions of the Impounding Act 1955.

Community Outcomes

- This activity does not contribute directly to community outcomes as currently identified.

Council contribution to Community Outcomes

Nil.

What is the extent of Council's responsibility?

- Council's policy in administering the Act is to respond to complaints received.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- To ensure wandering stock do not endanger traffic.

How do we measure progress?

- By ensuring that complaints are responded to within 24 hours.

Stock Ranging and Impounding Assets

Stock pound at Otorohanga.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Asset maintenance, renewal and replacement

No additional Asset capacity has been identified. Asset maintenance will be undertaken by Council staff or contractors as required.

Risks

Legislation changes.

8.6 Environmental Health

Rationale for delivery of activity

The rationale for this group of activities is to meet Council's statutory requirements of the Health Act 1956, Local Government Act 2002 and Resource Management Act 1991.

Community Outcomes

- All bodies of water are returned to their best possible condition. They are recognised and enhanced as living ecosystems and as having cultural significance for tangata whenua (local residents / people [of the land]).
- A good, clean water supply is maintained.
- Infrastructure is adequate to deal with environmental issues from any development.
- The rural environment is not a dumping ground.
- Fish stocks in the harbour are replaced.

What is the extent of Council's responsibility?

- To protect and promote the health and well being of the present and future population of the District. These activities are largely an in-house function due to the statutory requirements to be complied with. There are however, times when some elements are completed by external contractors and in partnership with other service providers such as Health Waikato and Environment Waikato.

Council contribution to Community Outcomes

- Ensure that Kawhia's septic tank systems are consistent with Environment Waikato policy.
- Development of a harbour management plan.
- Maintain a healthy harbour for eco-tourism and economic gain.
- Address sewerage problems.
- Discourage roadside dumping.
- Monitor water quality.
- Have more policing/ control of noxious weeds.
- Develop environmental education programmes that highlight the importance of waterways, both environmentally and culturally.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- Environmental, public health and safety standards are complied with.

How do we measure progress?

By ensuring that:

- All cases of communicable disease notified within 24 hours, with the results of the investigation, together with the action taken, reported to the Medical Officer of Health within 7 working days.
- Council's drinking water supplies are monitored for microbiological determinants, in compliance with the criteria of the 1984 NZ Drinking Water Standards.

- All new on site disposal systems meet the criteria of the Regional Council's rules, resulting in no degradation of the environment, or risk to public health.
- A liquor licence is held in respect of all premises at which liquor is sold or supplied, and every premise licensed for the sale or supply of liquor is managed by an appropriately qualified person.
- All premises in which food is sold or processed before sale complies with relevant food safety standards.
- Trade Waste bylaw requirements are implemented and monitored.

Environmental Health

Assets

Laboratory.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Risks

Legislative changes.

8.7 Statement of Cost of Service – Environmental Services

	2005/06 Estimate	2005/06 Est Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
INCOME & INTERNAL RECOVERIES												
Funding Assistance	2,000	1,500	2,000	2,062	2,124	2,180	2,234	2,286	2,334	2,376	2,416	2,454
User Fees and Charges	334,324	369,524	380,634	393,061	404,889	420,480	427,557	435,805	444,970	452,992	460,632	467,894
Internal Recoveries	59,100	53,850	60,000	61,225	62,450	63,577	64,606	65,586	66,517	67,350	68,085	68,820
TOTAL INCOME & INTERNAL REC	395,424	424,874	442,634	456,348	469,463	486,237	494,397	503,677	513,821	522,718	531,133	539,168
EXPENDITURE												
Planning & Development	216,157	364,085	332,162	314,252	333,117	333,325	255,549	254,941	259,590	263,727	267,508	271,173
Building Control	343,641	364,849	356,422	367,393	377,088	385,954	394,207	402,125	409,535	416,116	422,126	427,975
Civil Defence	32,600	31,850	36,700	37,808	38,916	39,920	40,881	41,807	42,663	43,414	44,125	44,802
Environmental Health	133,107	124,441	137,646	141,821	145,565	148,983	152,174	155,234	158,093	160,634	162,958	165,214
Dog Control	85,200	88,600	86,100	88,276	90,323	92,643	94,864	97,577	98,979	100,715	102,362	104,533
Ranging & Impounding	6,250	16,375	5,575	6,563	6,818	6,988	7,152	7,377	7,522	7,649	7,838	7,953
TOTAL EXPENDITURE	816,955	990,199	954,604	956,112	991,828	1,007,814	944,828	959,061	976,382	992,256	1,006,918	1,021,651
OPERATING SURPLUS (DEFICIT)	(421,531)	(565,325)	(511,970)	(499,764)	(522,366)	(521,577)	(450,432)	(455,384)	(462,561)	(469,538)	(475,785)	(482,483)
FUNDED BY												
Otorohanga District												
Rates and General Funding	419,551	562,585	513,180	501,456	524,654	523,981	452,962	457,518	465,323	472,390	478,729	484,967
Movement in Account Balances	1,980	2,740	(1,210)	(1,692)	(2,289)	(2,405)	(2,530)	(2,134)	(2,762)	(2,852)	(2,944)	(2,485)
	421,531	565,325	511,970	499,764	522,366	521,577	450,432	455,384	462,561	469,538	475,785	482,483
TOTAL FUNDING	421,531	565,325	511,970	499,764	522,366	521,577	450,432	455,384	462,561	469,538	475,785	482,483
Total Operating Expenditure includes Depreciation of:	100	100	225	225	225	293	293	293	360	360	360	428

9.0 Democratic Processes

Rationale for delivery of activity

To facilitate the democratic process by providing support to the Mayor, Councillors and Community Board members. This activity provides for the costs of the democratic or decision-making process. This includes meetings, public consultations, communication, elected member's remuneration and civic functions. Provision is also made for elections. Council currently operates with a Mayor, seven Councillors and two Community Boards.

Council considers the following Community Outcomes (as sourced from Appendix 1) to be relevant to this significant activity. These outcomes are not, in many cases, linked directly to this activity, but Council has endeavoured to establish links as best it can.

Community Outcomes

- Existing economic strengths in the community are promoted and make the town an attractive destination for the development of small to medium sized businesses. That the business community is vibrant and progressive and a cornerstone of the greater community.
- There are adequate flow-on effects of any economic benefits.
- All bodies of water are returned to their best possible condition. They are recognised and enhanced as living ecosystems and as having cultural significance for tangata whenua (local residents / people [of the land]).
- "Ownership" of, and hence a sense of responsibility with, environmental issues is fostered within the community.
- The community participates fully in decision-making.
- The community values life-long learning.
- Services are provided for youth.
- All residents have equal access to services and facilities.
- Zero tolerance to drugs is promoted in Otorohanga.
- Tangata Whenua (local residents/ people [of the land]) are recognised and the community's commitment to Te Tiriti o Waitangi (the Treaty of Waitangi) is acknowledged.
- Otorohanga has a strong and vibrant arts community.
- Employment and business opportunities are increased and enhanced, and people in Kawhia benefit from these.

Council contribution to Community Outcomes

- Facilitate Māori initiatives for business or jobs.
- Maintain the State Highway status of Maniapoto Street.
- Economic development will reduce rates burden.
- Develop environmental education programmes that highlight the importance of waterways, both environmentally and culturally.
- Work with the Department of Conservation.
- Promote consultation on issues of importance.
- Maintain and extend tertiary learning opportunities.
- Encourage tertiary education participation.
- Develop learning courses in life skills, parenting etc.
- Link youth with local businesses, access to drivers licences etc.
- A range of options, including a youth forum.
- Promotion of parallel health and social services.
- Provide low cost bus service to Te Kuiti or Te Awamutu.
- Provide a postbox on Gradara Avenue / Mountain View Road.
- Develop a zero tolerance strategy.
- Promote Māori language.
- Promote the community's awareness of Māori culture.
- Develop an arts forum.
- Establish an arts competition.
- Ensure that local people are employed where possible.

- Fish stocks in the harbour are replaced.
- Infrastructure is adequate to deal with environmental issues from any development.
- Visual and performing arts and music are catered for.
- There is an adequate range of health and well-being, youth and adult social services provided in Kawhia.
- Wahi Tapu sites should be identified and protected. This includes historically significant sites for all cultures.
- That farming and rural activities are recognised and promoted as the major sustainable economic base of the District.
- That facilities and services are maintained and improved in the rural and farming environment.
- That our estuaries, harbours, waterways and wetlands are protected.
- That our countryside receives a high level of protection.
- That the community recognises the natural, historical or outstanding landscapes that are protected by landowners.
- That good animal welfare practices are encouraged.
- That education facilities meet our needs.
- That our essential services are protected. These include health, education, police, rural fire, social services and communications.
- Maintain / promote the population in rural areas.
- That rural activities take precedence in the rural area.
- Maintain a healthy harbour for eco-tourism and economic gain.
- Consider the introduction of a reticulated sewerage system.
- Visual and performing arts and music included in recreational and leisure activities.
- Support, enhance and promote social support services for youth.
- Develop social services for adults, including the elderly.
- Encourage Broadband access.
- Improve the community hall.
- Meet regularly with marae committees.
- Update the Otorohanga website to reflect this Outcome.
- Advocate for school bus services to be continued.
- Continuous improvement of phone and internet services.
- Encourage good sustainable farming practices.
- A flood protection / control system is in place.
- Have more policing / control of noxious weeds.
- Protect our biodiversity including indigenous species and habitats.
- Encourage the protection and fencing off of native vegetation, and covenanting and landscaping.
- Establish a contestable fund for the protection of natural and historical areas and outstanding landscapes.
- Consider animal welfare needs, including shade and water for goats on the side of the road.
- Opportunities need to be provided to keep young people in the District.
- Lobby for an increased Police presence and an improved 111 service.
- Plan for our ageing population.
- Improve and promote public transport.
- Maintain rural halls and explore other uses for them.
- Biosecurity controls need to be enforced.

What is the extent of Council's responsibility?

- Council's role extends to over viewing and monitoring within the District, acting as a trustee or steward on behalf of the community, to govern in accordance with the principles of the Local Government Act 2002 and to ensure that the democratic governance is clear and understood by all.

How do we measure progress?

- Ensure all democratic procedures meet all statutory requirements.
- All meetings held in accordance with the provisions of the Local Government Official Information and Meetings Act 1987.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- Produce six-monthly Council newsletters.
- Provide information on Council's decision-making and provide opportunities for community feedback through submissions and public meetings.
- Local government elections are administered in accordance with the statutory requirements of the Local Government Act 2002, and the Local Electoral Act 2001.

Democratic Process Assets

Information Centre.

Council administration buildings:
Maniapoto Street, Otorohanga.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Risks

The provision of democratic process is a statutory requirement, although the nature and structure of those services is a matter for Council to agree with the community.

There is a cost in providing these services, and some people may argue they are too high – both in terms of rates revenue required to fund the services, and time taken for consultation and decision-making.

9.1 Statement of Cost of Service – Democratic Process

	2005/06 Estimate	2005/06 Est Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
INCOME												
User Fees and Charges	200	2,000	200	2,062	212	218	2,234	229	233	2,376	242	245
Internal Recoveries	227,422	244,103	252,703	259,050	265,404	271,226	276,599	281,734	286,572	290,885	294,761	298,578
TOTAL INCOME & INT REC	227,622	246,103	252,903	261,112	265,617	271,444	278,833	281,962	286,805	293,261	295,002	298,824
EXPENDITURE												
Otorohanga Rural												
Members Remuneration & Alices	135,100	135,100	142,600	147,021	151,441	155,434	159,284	162,992	166,414	169,409	172,261	174,970
Members Expenses	17,100	19,100	17,100	17,630	18,160	18,639	19,101	19,545	19,956	20,315	20,657	20,982
Support Costs	326,546	352,554	359,888	371,396	380,944	389,715	397,799	405,599	412,866	419,341	425,275	430,996
General Expenses	40,500	41,500	46,500	61,345	44,073	50,685	66,462	47,435	54,266	70,686	50,132	57,056
General Managers Expenses	227,422	244,103	252,703	259,051	265,403	271,225	276,598	281,733	286,570	290,885	294,761	298,578
	746,668	792,357	818,791	856,443	860,022	885,699	919,244	917,304	940,072	970,636	963,086	982,582
Otorohanga Community												
Members Remuneration	45,000	45,000	47,200	48,663	50,126	51,448	52,722	53,950	55,082	56,074	57,018	57,914
General Expenses	15,700	15,700	15,700	23,404	16,673	17,113	25,356	17,945	18,322	26,968	18,966	19,264
Support Costs	61,500	48,500	49,500	50,815	52,135	53,360	54,467	55,549	56,551	57,445	58,271	59,058
	122,200	109,200	112,400	122,882	118,934	121,921	132,546	127,443	129,955	140,486	134,254	136,236
Kawhia Community												
Members Remuneration	10,000	10,000	10,700	11,032	11,363	11,663	11,952	12,230	12,487	12,712	12,926	13,129
General Expenses	700	15,700	700	2,784	743	763	3,016	800	817	3,208	846	859
Support Costs	21,100	21,600	22,000	22,583	23,167	23,714	24,202	24,680	25,125	25,521	25,886	26,235
	31,800	47,300	33,400	36,398	35,274	36,140	39,169	37,710	38,428	41,440	39,657	40,223
TOTAL EXPENDITURE	900,668	948,857	964,591	1,015,723	1,014,231	1,043,759	1,090,959	1,082,457	1,108,455	1,152,563	1,136,997	1,159,041
OPERATING SURPLUS (DEFICIT)	(673,046)	(702,754)	(711,688)	(754,611)	(748,614)	(772,315)	(812,126)	(800,495)	(821,650)	(859,302)	(841,994)	(860,217)
FUNDED BY												
Otorohanga District												
Rates and General Funding	673,046	702,754	711,688	754,611	748,614	772,315	812,126	800,495	821,650	859,302	841,994	860,217
	673,046	702,754	711,688	754,611	748,614	772,315	812,126	800,495	821,650	859,302	841,994	860,217
TOTAL FUNDING	673,046	702,754	711,688	754,611	748,614	772,315	812,126	800,495	821,650	859,302	841,994	860,217

10.0 Other Activities

Comprises Development Property, Pensioner Housing, Other Property, Litter Control, Rural Fire, Government Assisted Training Programmes, District Promotion and Development, Council Grants and Corporate Planning.

10.1 Property Development

Rationale for delivery of activity

Council owns various types of property, which are managed in the best interest of the residents and ratepayers of the District. These properties are classified as commercial or community investments.

Community Outcomes

- Otorohanga has housing that satisfies the needs of the community and those who may consider joining the community.

Council contribution to Community Outcomes

- Identify housing needs and facilitate development.

What is the extent of Council's responsibility?

- Council has purchased and developed residential and Industrial land.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- That all sections, both residential and industrial, are sold within the set timeframe as indicated by the Financial Forecast.

How do we measure progress?

- Property development in accordance with plans.
- Contributions made to Otorohanga District Development Board in accordance with budgeted figure.

Property Assets

- Westridge Subdivision.
- Progress Park.
- Waiwera Street.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Risks

It is recognised that this activity is speculative in nature and not part of Council's core business.

Property demand decrease.

10.2 Pensioner Housing

Rationale for delivery of activity

Though not considered to be part of Council's core business, housing for the elderly is owned and managed to meet community expectations that there is a good standard of affordable rental accommodation available to elderly residents.

Community Outcomes

- Otorohanga has housing that satisfies the needs of the community and those who may consider joining the community.
- Otorohanga is promoted as an ideal centre for retired people, focusing on the many facilities it has for older people.

Council contribution to Community Outcomes

- Work with agencies such as Housing NZ.
- Develop a promotions strategy.

What is the extent of Council's responsibility?

- Council owns, maintains and administers limited stocks of housing for the elderly in Otorohanga and Kawhia. Housing rentals are established at levels, which will sustain the activity.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- For housing units to have an occupancy rate of at least 95%.
- Units to be maintained to reasonable standards.
- Rentals to be maintained at affordable levels.
- Respond to enquiries, complaints and requests for maintenance within 24 hours.

How do we measure progress?

- Analysis of request for services records.
- Feedback from occupants.
- Monitoring of operational costs.

Assets

- 22 Housing units in Otorohanga.
- 6 Housing units in Kawhia.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Risks

Adverse economic effect may result if the cost of maintaining the assets should increase.

10.3 Other Property

Rationale for delivery of activity

Council owns various types of property, which are managed in the best interest of the residents and ratepayers of the District. These properties are classified as commercial or community investments.

Community Outcomes

- A better area for boating services is developed.
- That educational facilities meet our needs.
- Council contribution to Community Outcomes
- Develop boat parking and boat ramp, including introduction of fees.

What is the extent of Council's responsibility?

- Assets maintained to required standard.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- Those assets relevant to this activity are reviewed every 12 months.

How do we measure progress?

- Development completed.

Assets

- Boat Ramp.
- Car Parks.
- Gravel Pits.
- Kawhia Medical Centre.

Risks

It is recognised that this activity is not part of Council's core business.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

10.4 Litter Control

Rationale for delivery of activity

This service is outside the scope of the refuse collection contract and the main focus is one of picking up litter on the roadside and in Parks and Reserves. The service is also provided under contract to the State Highway network.

Community Outcomes

- Otorohanga is a must see tourism destination. Its many attributes are enhanced, including its natural features, such as rivers, gardens and Kahikatea remnants, its position as a travel gateway and Tourism New Zealand's categorisation of Otorohanga as an ideal town.

Council contribution to Community Outcomes

- Maintain our tidiness.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- Provide litter collection from the roadside verges, parks and reserves within the District.

What is the extent of Council's responsibility?

- Council has no legal obligation to provide this service, but does it as a means to improve the tidiness and aesthetic appeal of the District.

How do we measure progress?

- No justifiable adverse comment received from Transfield regarding litter on our District's sections of SH3, SH31 and SH39.
- No justifiable adverse written comments regarding litter on roadside verges, parks and reserves within the District.

Litter Control Assets

There are no assets for this activity.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Risks

The staff resource is seen as a critical component in the provision of this activity as the service has created a high public profile.

10.5 Rural Fire

Rationale for delivery of activity

Council provides a Rural Fire Service to fulfil its obligations under the Forest and Rural Fires Act and the Fire Service Amendment Act. The public's expectation is Council will provide rural fire protection and fire prevention services.

Community Outcomes

- This activity does not contribute directly to community outcomes as currently identified.

Council contribution to Community Outcomes

Nil.

What is the extent of Council's responsibility?

- Council is required by legislation to provide this service and is the primary agency for this. The fire suppression response is carried out through the local fire brigades and contractors as required.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- Provide a rural fire fighting capability, in conjunction with the New Zealand Fire Service.

How do we measure progress?

- Issue permits for controlled burns of a minor nature, during restricted fire seasons within 3 working days.

Rural Fire Assets

Pumps and equipment.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Risks

Ongoing increases in the standard of service required throughout the Rural Fire Management Code of Practice will result in increased costs not forecast.

Failure to provide an adequate fire response capability could result in significant damage to property and possible loss of life.

10.6 District Promotion, Development and Tourism

Rationale for delivery of activity

Council supports this activity by providing funding to the Otorohanga District Development Board, Destination Waitomo, Development King Country and Tourism Waikato, whose main roles are to promote tourism and business development in the District.

This activity was developed in order to attract outside industries, create employment, expand the rating base, increase property values, support present business, ensure a future for our young citizens and promote the future of the District.

Community Outcomes

- Otorohanga is a must see tourism destination. Its many attributes are enhanced, including its natural features, such as rivers gardens and Kahikatea remnants, its position as a travel gateway, and Tourism New Zealand's categorisation of Otorohanga as an 'ideal town'
- Existing economic strengths in the community are promoted and make the town an attractive destination for the development of small to medium sized businesses. That the business community is vibrant and progressive and a cornerstone of the greater community.
- Employment and business opportunities are increased and enhanced, and people in Kawhia benefit from these opportunities.
- Our identity is preserved and fostered. This includes our Māori and Pakeha inheritance and recognition of all cultures and religions.
- A balance of sustainable economic development appropriate to this area is achieved without over commercialisation.
- There is an adequate range of health and well-being, youth and adult social services provided in Kawhia.
- The Māori character of Kawhia is recognised and enhanced.
- A town theme is developed based upon Kawhia's unique historical, environmental and "Kiwi bach" culture, in order to maintain its unique individuality and culture.
- That all cultural celebrations are recognised.

Council contribution to Community Outcomes

- Promote better service and hospitality.
- Actively market the town.
- Promote the "historic tourist route".
- Retain and develop the rail link.
- Accommodation study identified the need for a five star hotel.
- Strengthen our relationship with tourism operators and Destination Waitomo.
- Support local Māori tourism.
- Establish Otorohanga as a preferred stop for travellers.
- Promote Otorohanga as NZ's Kiwiana Capital.
- Promote existing attractions (hanging baskets, Pou Pou etc).
- Maintain Council's i-site.
- Undertake market research to assist business growth.
- Establish business development and mentoring.
- Celebrate business successes.
- Hold "I am Otorohanga, Otorohanga is me" events.
- Develop target markets for tourism (fishing, eco-tourism, historic).
- Develop commercial marine farming.
- Continually update our website.
- Maintain and update a community information board.
- Have an information centre for visitors.
- Have an ATM machine.
- Promote tourism (visitors) in a manner which does not compromise Kawhia.
- Promote events with a greater Māori emphasis.

- That other economic activities are recognised and promoted as major contributors to the economy of the District.

What is the extent of Council's responsibility?

- Council has no legal obligation to provide this service, but does it as a means to improve the number of visitors and new residents to the District.

- Development of a town theme.
- Promote events with a greater Māori emphasis.
- Support Kiwiana and Kawhia Kai festivals.
- Develop opportunities for training in tourism, forestry and fishing.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- Provide financial assistance to and monitor the performance of the Otorohanga District Development Board, Destination Waitomo, Development King Country and Tourism Waikato.

How do we measure progress?

- Provide allocated budget of not less than \$150,000.
- Otorohanga District Development Board to provide Council with six-monthly reports of services provided to justify existing levels of funding.

Promotion and Development Assets

There are no assets for this activity.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Risks

There are no known risks.

10.7 Council Grants

Rationale for delivery of activity

Council has a historic role in providing grants to different Community organisations. This is generally in response to Community expectations. Each application for assistance will be considered on its merits.

Community Outcomes

- Our cultural festivals are recognised.
- Foster a sense of social responsibility within the Otorohanga community.
- That all cultural celebrations are recognised.

Council contribution to Community Outcomes

- Support Whare Awhina.
- Recognise cultural festivals.
- Promote Māori language.

What is the extent of Council's responsibility?

- Council reviews applications on a case-by-case basis.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- By reviewing grant allocations against budget allocations and ensuring that there are no significant changes.

How do we measure progress?

- By reviewing the yearly budget in order to maintain or improve the value of the Grants allocation where possible.

Assets

There are no assets for this activity.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Risks

If Council is required to review funding, other significant activities may encounter a shortfall due to the limited funds.

10.8 Corporate Planning

Rationale for delivery of activity

This activity includes Council's Annual Plan, LTCCP or Annual Report, Budget Reporting, Long Term Financial Strategy and Asset Management Plans.

Council is required to undertake long term planning to comply with the Local Government Act 2002.

Community Outcomes

- This activity does not contribute directly to community outcomes as currently identified.

Council contribution to Community Outcomes

Nil.

What is the extent of Council's responsibility?

- Council has a legal obligation to comply with the Local Government Act 2002 to produce an Annual Plan, LTCCP and Annual Report and Asset Management Plan.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- Prepare Annual Plan or LTCCP and Annual Report for the consideration of Council.

How do we measure progress?

- Draft Long Term Council Community Plan or Annual Plan adopted by 30 June in each year.
- Annual Report adopted by 31 October in each year.

Assets

There are no assets for this activity.

Sources of Revenue

Sources of Revenue are disclosed in the Revenue and Financial policy.

Risks

That legislative changes increase the statutory obligations to a level where they are unable to be met due to time constraints.

10.9 Statement of Cost of Service – Other Activities

	2005/06 Estimate	2005/06 Est Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
INCOME & INTERNAL RECOVERIES												
Otorohanga Rural												
Funding Assistance	7,500	7,500	7,500	8,248	7,965	8,720	8,378	8,573	9,336	8,910	9,060	9,203
Interest Income	71,200	75,586	70,650	70,200	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
User Fees and Charges	90,212	106,836	112,648	117,471	119,039	126,464	133,375	139,197	145,813	152,327	160,893	170,220
Internal Recoveries	441,954	441,954	491,166	501,350	516,349	529,897	542,961	555,541	567,154	577,315	586,992	596,185
	610,866	631,876	681,964	697,270	713,353	735,081	754,714	773,311	792,303	808,551	826,945	845,608
Otorohanga Community												
User Fees and Charges	111,500	149,600	115,100	118,438	121,661	124,822	127,753	130,453	133,092	135,127	137,084	139,156
Development Contributions	-	-	-	-	-	-	-	-	-	-	-	-
	111,500	149,600	115,100	118,438	121,661	124,822	127,753	130,453	133,092	135,127	137,084	139,156
Kawhia Community												
User Fees and charges	32,346	30,272	32,925	34,071	34,829	35,949	37,024	37,787	38,826	39,778	40,676	41,623
Development Contributions	-	-	-	-	-	-	-	-	-	-	-	-
	32,346	30,272	32,925	34,071	34,829	35,949	37,024	37,787	38,826	39,778	40,676	41,623
TOTAL INCOME & INTERNAL REC	754,711	811,748	829,990	849,778	869,843	895,852	919,491	941,551	964,221	983,457	1,004,704	1,026,387
EXPENDITURE												
Otorohanga Rural												
District Promotion and Development	115,400	115,400	140,400	144,733	149,066	152,981	156,753	160,385	163,737	166,673	169,467	172,120
Council Grants	119,100	120,100	88,100	88,754	90,347	93,808	95,002	98,344	99,231	102,196	102,700	105,533
Corporate Planning	179,500	257,500	183,500	205,623	263,785	217,299	232,666	302,036	213,806	242,567	305,802	250,454
Building Operation	147,514	186,264	197,564	191,889	210,011	219,430	223,322	240,867	244,345	247,427	264,118	266,906
Furniture and Fittings	135,800	120,800	120,950	110,976	111,002	106,026	116,048	131,070	111,089	121,107	121,124	121,139
Litter Control	43,000	42,500	44,900	45,827	46,754	47,606	48,388	49,137	49,843	50,473	51,037	51,594
Rural Fire Control	40,000	40,050	36,000	36,768	37,537	38,257	38,904	39,540	40,131	40,653	41,141	41,607
Rural Housing	4,186	4,217	3,966	3,698	-	-	-	-	-	-	-	-
Administration Plant	149,000	154,175	150,100	152,754	155,010	163,476	166,029	160,788	166,448	168,518	170,485	172,352
Aotea Erosion Protection	7,500	12,400	6,750	7,470	8,216	7,889	8,080	8,263	9,004	9,162	8,723	8,858
Aotea Erosion Protection Loan	12,997	12,699	12,562	12,046	11,530	11,011	10,492	9,972	9,451	8,928	8,404	7,879
Rural Property	58,385	89,146	80,799	81,748	89,560	90,414	91,171	98,746	99,368	99,891	107,190	107,613
	1,012,382	1,155,251	1,065,591	1,082,286	1,172,818	1,148,198	1,186,854	1,299,149	1,206,453	1,257,594	1,350,191	1,306,054
Otorohanga Community												
Property	120,902	194,767	100,883	79,040	53,674	41,233	41,345	42,611	42,656	42,651	43,780	43,722
Housing for the Elderly	74,192	77,092	87,906	93,676	106,958	108,085	109,291	123,020	124,087	125,052	138,496	139,358
Industrial/Community Park	19,500	18,500	33,500	-	-	-	-	-	-	-	-	-
	214,594	290,359	222,289	172,716	160,632	149,319	150,636	165,630	166,743	167,703	182,276	183,080
Kawhia Community												
Property	6,270	9,045	7,545	7,743	8,100	8,284	8,454	8,777	8,927	9,063	9,346	9,467
Housing for the Elderly	17,107	20,807	20,434	22,028	24,312	24,408	24,688	27,710	27,957	28,181	31,138	31,337
Medical Centre	7,850	9,609	10,379	10,438	11,694	11,743	11,782	13,014	13,040	13,055	14,259	14,264
	31,227	39,461	38,358	40,209	44,106	44,436	44,924	49,501	49,924	50,299	54,742	55,068
TOTAL EXPENDITURE	1,258,203	1,485,071	1,326,237	1,295,211	1,377,556	1,341,953	1,382,414	1,514,280	1,423,120	1,475,596	1,587,208	1,544,201
OPERATING SURPLUS (DEFICIT)	(503,492)	(673,322)	(496,248)	(445,433)	(507,713)	(446,101)	(462,923)	(572,729)	(458,899)	(492,140)	(582,504)	(517,815)
FUNDED BY												
Otorohanga District												
Rates and General Funding	506,328	1,495,227	171,596	376,886	444,993	407,365	401,286	499,974	395,586	410,273	527,730	449,019
Transfers to/ from Reserves	30,000	30,000	-	-	-	-	-	-	-	-	-	-
Depreciation not Funded	27,700	33,600	42,200	51,200	66,560	66,560	66,560	81,920	81,920	81,920	97,280	97,280
Movement in Account Balances	(60,537)	(885,505)	282,451	17,347	(3,840)	(27,824)	(4,923)	(9,165)	(18,608)	(54)	(42,506)	(28,484)
	503,492	673,322	496,248	445,433	507,713	446,101	462,923	572,729	458,899	492,140	582,504	517,815
TOTAL FUNDING	503,492	673,322	496,248	445,433	507,713	446,101	462,923	572,729	458,899	492,140	582,504	517,815
Total Expenditure includes Depreciation of	208,345	247,020	288,175	296,325	294,925	332,743	333,443	343,343	389,160	372,460	382,460	421,078

10.10 Capital Expenditure – Other Activities

	2005/06 Estimate	2005/06 Est Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
CAPITAL EXPENDITURE												
Otorohanga Rural												
Renewals/ New Works	272,500	344,100	341,500	362,699	213,369	228,271	303,743	268,527	259,586	264,861	216,172	226,325
Loan Repayments	12,046	11,253	17,408	14,967	13,574	13,574	13,574	13,574	13,574	13,574	13,574	13,574
	284,546	355,353	358,908	377,666	226,943	241,845	317,317	282,101	273,160	278,435	229,746	239,899
Otorohanga Community												
Renewals/ New Works	422,500	333,476	665,000	5,145	113,285	5,420	5,545	16,980	17,310	5,870	5,955	6,045
Loan Repayments	743,617	1,179,033	348,403	189,715	305,062	6,754	6,754	6,754	6,754	6,754	6,754	6,754
	1,166,117	1,512,509	1,013,403	194,860	418,347	12,174	12,299	23,734	24,064	12,624	12,709	12,799
Kawhia Community												
Renewals/ New Works	78,000	4,000	100,000	14,416	-	3,270	6,654	5,715	-	-	-	-
Loan Repayments	9,099	8,899	9,572	10,304	5,698	1,144	1,144	1,144	1,144	1,144	1,144	1,144
	87,099	12,899	109,572	24,720	5,698	4,414	7,798	6,859	1,144	1,144	1,144	1,144
TOTAL CAPITAL EXPENDITURE	1,537,762	1,880,761	1,481,883	597,246	650,988	258,433	337,414	312,694	298,368	292,203	243,599	253,842
FUNDED BY												
Otorohanga District												
Loans	464,700	302,600	760,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves	177,144	175,747	303,382	258,875	160,691	167,970	203,219	205,063	185,791	142,903	149,118	145,600
Special Funds	-	(150,000)	-	-	-	-	-	-	-	-	-	-
Investment Income	3,583	3,583	3,834	1,393	-	-	-	-	-	-	-	-
Capital Income	943,500	2,452,984	662,000	294,444	204,975	30,000	50,000	40,572	30,000	50,000	40,604	30,000
Rates and General Funding	(51,165)	(904,153)	(247,333)	42,534	285,322	60,463	84,195	67,060	82,577	99,300	53,877	78,242
	1,537,762	1,880,761	1,481,883	597,246	650,988	258,433	337,414	312,694	298,368	292,203	243,599	253,842
TOTAL FUNDING	1,537,762	1,880,761	1,481,883	597,246	650,988	258,433	337,414	312,694	298,368	292,203	243,599	253,842

Otorohanga Community

2005/06 Renewal Expenditure includes completion of the Railway Station building and also completion of Westridge Residential Subdivision.

2006/07 Renewal Expenditure includes \$660,000 for upgrade of the pensioner housing units within the Otorohanga Community.

Kawhia Community

2005/06 & 2006/07 Renewal Expenditure relates to upgrade of the Pensioner Housing Units within the Kawhia Community.

11.0 Support Services

Rationale for delivery of activity

This activity effectively manages Council's affairs and provides administrative and information services to Council and Council divisions to provide its other activities in an efficient and effective manner.

It includes:

- Finance
- Management Information Systems
- Customer Services
- Engineering Services
- Personnel

Community Outcomes

- That our essential services are protected. These include health, education, police, rural fire, social services and communications.
- That rural activities take precedence in the rural area.
- That all cultural celebrations are recognised.

Council contribution to Community Outcomes

- Maintain rural infrastructure.
- Building covenants and LIM reports should acknowledge the presence of rural activities.
- Promote Māori language.

What is the extent of Council's responsibility?

- The Local Government Act 2002 enables Council to choose between staff directly employed in a support service capacity, or a contract arrangement.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- Compliance checks on staff and systems to ensure Policy & Procedures are being met.
- Administration costs are kept within the projected budget.

How do we measure progress?

By ensuring that:

- Financial accounts and estimates preparation, funds management and cash flow, audit and internal system control, revenue collection and expenditure operation are prepared on time.
- Management Information Systems ensure that the computer and record systems are effectively storing, retrieving and distributing information as requested.
- Development of policies that will encourage staff to carry out their duties in a responsible and effective manner, by periodical reviews and recommendations as required.
- Engineering Services administers programme preparation and implementation for works and services delivery within set time frames.

Assets

- Computer Equipment.
- Fixtures and Fittings.

Risks

Due to increasing administrative and legislative requirements existing staff levels and computer hardware and software may become insufficient to effectively meet new requirements.

In order to provide appropriate services there may be an additional funding requirement to be met from the rates base.

11.1 Statement of Cost of Service – Support Services

	2005/06 Estimate	2005/06 Est Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
INCOME												
User Fees and Charges												
Finance & Administration	28,000	26,000	28,000	28,868	29,736	30,520	31,276	32,004	32,676	33,264	33,824	34,356
Engineering & Services	100	100	100	103	106	109	112	114	117	119	121	123
	28,100	26,100	28,100	28,971	29,842	30,629	31,388	32,118	32,793	33,383	33,945	34,479
Internal Recoveries												
Finance & Administration	1,080,546	1,060,585	1,086,663	1,112,843	1,145,347	1,168,823	1,194,314	1,221,008	1,241,587	1,261,827	1,282,780	1,298,440
Engineering & Services	703,249	696,280	776,045	800,182	820,896	839,843	857,437	874,273	890,079	904,145	916,892	929,366
	1,783,795	1,756,865	1,862,708	1,913,024	1,966,243	2,008,667	2,051,751	2,095,282	2,131,667	2,165,972	2,199,672	2,227,806
TOTAL INCOME & INTERNAL REC	1,811,895	1,782,965	1,890,808	1,941,995	1,996,086	2,039,296	2,083,138	2,127,400	2,164,459	2,199,355	2,233,617	2,262,285
EXPENDITURE												
Finance & Administration	1,108,546	1,086,585	1,114,663	1,141,711	1,175,083	1,199,343	1,225,590	1,253,012	1,274,263	1,295,091	1,316,604	1,332,796
Engineering & Services	703,349	696,380	776,145	800,285	821,002	839,952	857,548	874,388	890,196	904,264	917,013	929,489
TOTAL EXPENDITURE	1,811,895	1,782,965	1,890,808	1,941,995	1,996,086	2,039,296	2,083,138	2,127,400	2,164,459	2,199,355	2,233,617	2,262,285
OPERATING SURPLUS(DEFICIT)	0	0	0	0	0	0	0	0	0	0	0	0

12.0 Professional Engineering Business Unit

Rationale for delivery of activity

Council's general aim is for the unit to provide a Civil Engineering Service that is efficient, technically competent and achieves effective results. This unit is a separate group within Council's Engineering Division and provides professional and technical consultancy services for carrying out works and utility service operations planned by Council (over 80% of programme currently).

The unit is responsible for investigation, design, contracting and supervision of most of the works and service operations.

Pursuant to Section 31 of the Transit New Zealand Amendment Act 1995 (where Transfund NZ funding is involved), Council is required to disclose separately a financial statement for the operation of the Professional Service Business Unit. This statement is reported below.

Council employs an in-house business unit to undertake roading investigation and design work in line with the Transit NZ Amendment Act 1995. This is considered to be economically more efficient than contracting the service out.

Community Outcomes

- This activity does not contribute directly to community outcomes as currently identified.

Council contribution to Community Outcomes

Nil.

What is the extent of Council's responsibility?

- To comply with Transfund under Section 28 of the Transit New Zealand Amendment Act 1995, Council must comply with the special provisions relating to in-house professional services. These conditions include 'due consideration' of cost effectiveness, accountability, contestability of service and availability of resources.

Target Levels of Service

Target levels of service are for each year of the 10 years unless otherwise stated.

- To provide effective, efficient and economically justifiable engineering services for the Council.

How do we measure progress?

- The total consultancy cost for all completed roading projects amounts to not more than 10% of the total physical work costs of all of those projects.
- That the financial returns be managed to ensure that the accumulated shortfall does not exceed \$30,000.

Engineering Business Unit Assets

- Computer aided design software and specialised computers
- Survey equipment

Risks

If the unit was disbanded, the cost to Council of providing this service through Consultants is likely to be higher, as will the physical contract costs.

12.1 Statement of Cost of Service – Professional Engineering Services Business Unit

	2005/06 Estimate	2005/06 Est Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
INCOME												
Internal Recoveries	625,000	625,000	670,000	701,080	722,160	741,200	759,560	777,240	793,560	807,840	821,440	834,360
User Fees and Charges	10,000	22,000	15,000	15,465	15,930	16,350	16,755	17,145	17,505	17,820	18,120	18,405
	635,000	647,000	685,000	716,545	738,090	757,550	776,315	794,385	811,065	825,660	839,560	852,765
EXPENDITURE												
Engineering Technical Services	628,308	629,603	691,003	712,392	730,838	747,713	763,375	778,373	792,441	804,965	816,325	827,424
OPERATING SURPLUS (DEFICIT)	6,692	17,397	(6,003)	4,153	7,252	9,837	12,940	16,012	18,624	20,695	23,235	25,341
FUNDED BY												
Movement in Account Balances	(6,692)	(17,397)	6,003	(4,153)	(7,252)	(9,837)	(12,940)	(16,012)	(18,624)	(20,695)	(23,235)	(25,341)
	(6,692)	(17,397)	6,003	(4,153)	(7,252)	(9,837)	(12,940)	(16,012)	(18,624)	(20,695)	(23,235)	(25,341)
TOTAL FUNDING	(6,692)	(17,397)	6,003	(4,153)	(7,252)	(9,837)	(12,940)	(16,012)	(18,624)	(20,695)	(23,235)	(25,341)

13.0 Consolidated Cost of Service Statement

– For 10 Years Commencing 1 July 2006

	2005/06 Estimate	2005/06 Est Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
INCOME												
Land Transport	2,931,417	3,032,493	3,367,550	3,125,822	3,296,501	3,196,472	3,504,733	3,744,369	3,877,058	3,861,388	3,900,742	4,183,901
Drainage and Utility Services	591,863	650,796	624,924	1,000,038	689,140	723,629	765,881	794,215	817,596	841,232	872,032	893,659
Community Services	78,006	97,437	119,801	123,234	184,572	189,609	193,893	198,884	198,400	203,400	208,278	209,526
Environmental Services	395,424	424,874	442,634	486,237	469,463	486,237	494,397	503,677	513,821	522,718	531,133	539,168
Democratic Process	227,622	246,103	252,903	261,112	265,617	271,444	278,833	281,962	286,805	293,261	295,002	298,824
Other Activities	754,711	811,748	829,990	849,778	869,843	895,852	919,491	941,551	964,221	983,457	1,004,704	1,026,387
Support Services	1,811,895	1,782,965	1,890,808	1,941,995	1,996,086	2,039,296	2,083,138	2,127,400	2,164,459	2,199,355	2,233,617	2,262,285
Professional Eng Business Unit	635,000	647,000	685,000	716,545	738,090	757,550	776,315	794,385	811,065	825,660	839,560	852,765
	7,425,939	7,693,417	8,213,611	8,474,872	8,509,311	8,560,088	9,016,681	9,386,444	9,633,426	9,730,470	9,885,068	10,266,514
Less Internal Charges	2,695,317	2,679,818	2,845,411	2,934,379	3,016,258	3,084,670	3,152,515	3,219,841	3,278,315	3,332,047	3,383,958	3,429,564
TOTAL INCOME	4,730,622	5,013,599	5,368,200	5,540,493	5,493,053	5,475,418	5,864,166	6,166,602	6,355,111	6,398,424	6,501,110	6,836,950
EXPENDITURE												
Land Transport	4,873,771	5,531,857	5,553,712	5,747,962	5,837,404	5,951,155	6,009,524	6,101,380	6,139,632	6,214,045	6,229,871	6,295,432
Drainage and Utility Services	1,740,508	1,829,098	1,844,932	1,867,126	2,000,019	2,054,396	2,096,268	2,182,528	2,186,750	2,203,956	2,264,800	2,271,111
Community Services	1,147,458	1,191,044	1,225,072	1,297,032	1,370,112	1,407,321	1,427,705	1,482,486	1,501,047	1,523,639	1,566,868	1,592,486
Environmental Services	816,955	990,199	954,604	956,112	991,828	1,007,814	944,828	959,061	976,382	992,256	1,006,918	1,021,651
Democratic Process	900,668	948,857	964,591	1,015,723	1,014,231	1,043,759	1,090,959	1,082,457	1,108,455	1,152,563	1,136,997	1,159,041
Other Activities	1,258,203	1,485,071	1,326,237	1,295,211	1,377,556	1,341,953	1,382,414	1,514,280	1,423,120	1,475,596	1,587,208	1,544,201
Support Services	1,811,895	1,782,965	1,890,808	1,941,995	1,996,086	2,039,296	2,083,138	2,127,400	2,164,459	2,199,355	2,233,617	2,262,285
Professional Eng Business Unit	628,308	629,603	691,003	712,392	730,838	747,713	763,375	778,373	792,441	804,965	816,325	827,424
	13,177,766	14,388,695	14,450,959	14,833,554	15,318,074	15,593,406	15,798,212	16,227,965	16,292,287	16,566,374	16,842,604	16,973,630
Less Internal Charges	2,695,317	2,679,818	2,845,411	2,934,379	3,016,258	3,084,670	3,152,515	3,219,841	3,278,315	3,332,047	3,383,958	3,429,564
TOTAL EXPENDITURE	10,482,449	11,708,877	11,605,548	11,899,175	12,301,816	12,508,737	12,645,696	13,008,123	13,013,972	13,234,328	13,458,646	13,544,066
OPERATING SURPLUS/ DEFICIT	(5,751,827)	(6,695,278)	(6,237,349)	(6,358,682)	(6,808,763)	(7,033,318)	(6,781,530)	(6,841,521)	(6,658,861)	(6,835,904)	(6,957,536)	(6,707,116)
FUNDED BY												
Otorohanga District												
Rates and General Funding	5,721,405	7,354,879	6,060,182	6,320,300	6,707,027	6,980,552	6,740,560	6,739,891	6,654,484	6,825,993	6,862,813	6,742,068
Transfers to/ from Reserves	20,000	2,000	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Depreciation not Funded	67,060	86,031	95,131	104,131	129,358	129,358	130,491	155,038	155,038	155,038	178,585	178,585
Movement in Account Balances	(56,638)	(747,632)	132,036	(15,748)	22,378	(26,592)	(39,521)	(3,408)	(100,660)	(95,127)	(33,862)	(163,536)
	5,751,827	6,695,278	6,237,349	6,358,682	6,808,763	7,033,318	6,781,530	6,841,521	6,658,862	6,835,904	6,957,536	6,707,117
TOTAL FUNDING	5,751,827	6,695,278	6,237,349	6,358,682	6,808,763	7,033,318	6,781,530	6,841,521	6,658,862	6,835,904	6,957,536	6,707,117

13.1 Capital Expenditure – Consolidated Costs

	2005/06 Estimate	2005/06 Est Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
CAPITAL EXPENDITURE												
Land Transport	3,807,574	4,161,574	3,805,574	3,672,930	3,860,974	3,981,964	4,550,224	4,708,494	5,271,084	4,866,264	5,431,524	5,157,624
Drainage and Utility Services	510,145	487,995	615,037	1,318,985	950,762	562,216	465,926	554,910	364,509	402,177	476,662	385,319
Community Services	207,580	426,838	206,538	731,932	269,438	185,658	221,237	357,076	223,336	206,726	209,246	222,683
Other Activities	1,537,762	1,880,761	1,481,883	597,246	650,988	258,433	337,414	312,694	298,368	292,203	243,599	253,842
	6,063,061	6,957,168	6,109,032	6,321,093	5,732,162	4,988,271	5,574,801	5,933,174	6,157,296	5,767,370	6,361,031	6,019,468
TOTAL CAPITAL EXPENDITURE	6,063,061	6,957,168	6,109,032	6,321,093	5,732,162	4,988,271	5,574,801	5,933,174	6,157,296	5,767,370	6,361,031	6,019,468
FUNDED BY												
Otorohanga District												
Loans	1,443,200	1,778,650	1,494,350	1,278,980	537,400	123,700	55,850	-	-	-	-	-
Depreciation Reserves	2,211,133	2,697,989	2,866,059	2,953,723	2,933,346	2,925,672	2,940,191	3,227,310	2,988,289	3,012,424	3,020,710	3,063,441
Special Funds	50,000	(112,000)	83,500	70,000	90,000	40,000	50,000	50,000	50,000	50,000	50,000	50,000
Investment Income	3,583	3,583	3,834	1,393	-	-	-	-	-	-	-	-
Capital Income	943,500	2,452,984	662,000	294,444	204,975	30,000	50,000	40,572	30,000	50,000	40,604	30,000
Rates and General Funding	1,411,645	135,962	999,289	1,722,553	1,966,440	1,868,900	2,478,761	2,615,292	3,089,006	2,654,945	3,249,717	2,876,026
	6,063,061	6,957,168	6,109,032	6,321,093	5,732,162	4,988,271	5,574,801	5,933,174	6,157,296	5,767,370	6,361,031	6,019,468
TOTAL FUNDING	6,063,061	6,957,168	6,109,032	6,321,093	5,732,162	4,988,271	5,574,801	5,933,174	6,157,296	5,767,370	6,361,031	6,019,468

14.0 Schedule of Capital Expenditure

– For 10 Years Commencing 1 July 2006

	2005/06 Estimate	2005/06 Est Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
District Roading												
Transfund Assisted												
<i>Development :</i>												
Seal Extension	130,000	130,000	140,000	205,200	147,000	139,620	328,500	334,800	164,430	0	233,200	236,400
Misc Improvements	134,000	119,000	254,000	57,456	120,750	59,070	87,600	78,120	45,360	46,040	81,620	35,460
<i>Renewal :</i>												
SCT Sealed Smoothing	330,000	330,000	0	0	0	118,140	87,600	357,120	459,270	644,560	629,640	1,122,900
SCT Unsealed Smoothing	230,000	230,000	210,000	225,720	346,500	155,730	405,150	223,200	442,260	569,745	198,220	94,560
Culvert Replacement	120,000	120,000	125,000	143,640	162,750	118,140	120,450	145,080	147,420	115,100	116,600	118,200
Misc Improvements	46,000	15,000	45,000	47,196	42,000	48,330	38,325	16,740	11,340	17,265	11,660	11,820
Reseals/ Second Coat Seals	950,000	950,000	1,100,000	1,179,900	1,365,000	1,181,400	1,204,500	1,395,000	1,417,500	1,266,100	1,282,600	1,418,400
Minor Safety Projects	269,000	296,000	283,000	342,684	330,750	375,900	344,925	390,600	396,900	402,850	408,100	413,700
Area Wide Pavement Treatment	330,000	330,000	300,000	353,970	315,000	370,530	361,350	351,540	391,230	397,095	367,290	407,790
Bulk Metalling	400,000	400,000	350,000	430,920	414,750	418,860	470,850	502,200	510,300	402,850	617,980	472,800
Council Funded												
<i>Development :</i>												
Seal Extension	20,000	20,000	0	20,520	21,000	0	125,925	223,200	323,190	161,140	787,050	0
Misc Improvements	420,000	792,000	145,000	71,820	78,750	392,010	197,100	195,300	442,260	345,300	198,220	384,150
<i>Renewal :</i>												
Misc Improvements	148,000	113,000	490,000	210,330	120,750	204,060	377,775	83,700	107,730	86,325	87,450	29,550
	3,527,000	3,845,000	3,442,000	3,289,356	3,465,000	3,581,790	4,150,050	4,296,600	4,859,190	4,454,370	5,019,630	4,745,730
Drainage and Utility Services												
Water Supply :												
Arohena	21,000	21,000	65,000	15,630	10,840	78,680	11,620	11,980	12,320	15,168	15,516	15,864
Ranginui	4,000	2,000	4,000	2,084	61,788	0	0	11,980	0	0	15,516	13,220
Tihiroa	13,000	11,000	17,000	5,210	59,620	5,620	17,430	5,990	18,480	6,320	19,395	6,610
Waipa	7,500	7,500	2,000	5,210	0	22,480	0	5,990	0	6,320	0	6,610
Otorohanga Community	99,000	89,500	99,000	69,814	419,508	30,348	72,044	50,316	27,104	21,488	131,886	2,644
Otorohanga Waipa Treatment Str	32,000	30,000	32,000	364,700	16,260	39,340	17,430	17,970	33,264	44,240	19,395	19,830
Kawhia	25,000	23,000	5,000	463,690	5,420	11,240	11,620	35,940	12,320	12,640	12,930	39,660
Community Sewerage Improvements	71,000	68,000	108,000	61,860	123,192	38,150	25,691	123,444	9,336	32,076	9,664	28,221
Refuse :												
Otorohanga Community	5,000	5,000	5,000	0	0	0	0	0	0	0	0	0
Kawhia Community	5,000	10,000	0	5,155	0	0	5,585	0	0	0	0	0
Flood Protection	0	8,000	20,000	82,480	15,930	0	55,850	22,860	0	11,880	0	0
Stormwater :												
Otorohanga Community	15,000	5,000	46,000	26,806	20,775	109,000	16,350	16,755	17,145	17,505	17,820	18,120
	297,500	280,000	403,000	1,112,949	733,333	334,858	233,620	320,370	129,969	167,637	242,122	150,779
Community Services												
Parks and Reserves	105,000	280,000	100,500	623,755	130,626	47,960	58,084	88,011	101,529	91,476	93,016	94,479
Pool Improvement	25,000	39,000	25,000	25,775	29,736	5,450	44,680	5,715	5,835	5,940	6,040	6,135
Cemeteries	11,000	11,000	2,000	1,031	6,372	6,540	11,170	8,573	8,753	1,188	1,208	12,270
Library Books and Equipment	41,000	41,000	43,000	44,333	45,666	68,670	50,265	49,149	50,181	51,084	51,944	52,761
Kawhia Wharf Improvements	2,000	27,800	0	0	0	0	0	148,590	0	0	0	0
	184,000	398,800	170,500	694,894	212,400	128,620	164,199	300,038	166,298	149,688	152,208	165,645
Other Activities												
Building Operation	3,000	0	20,000	3,093	0	21,800	16,755	0	23,340	0	0	0
Furniture & Equipment	117,500	123,500	195,000	139,092	100,797	77,306	114,970	147,369	100,290	81,909	88,124	84,606
Administration Plant	77,000	55,600	115,500	158,774	112,572	125,895	172,018	121,158	134,789	182,952	128,048	141,719
Rural Fire Control	5,000	5,000	11,000	0	0	3,270	0	0	1,167	0	0	0
Otorohanga Community Residential Subdivision	58,000	126,476	0	0	108,000	0	0	0	0	0	0	0
Property	276,000	361,000	0	61,740	0	0	0	0	0	0	0	0
Housing for the Elderly	236,500	10,000	765,000	10,300	5,285	8,690	5,545	22,695	17,310	5,870	5,955	6,045
	773,000	681,576	1,106,500	372,999	326,654	236,961	309,288	291,222	276,896	270,731	222,127	232,370
TOTAL CAPITAL EXPENDITURE	4,781,500	5,265,376	5,122,000	5,470,198	4,737,387	4,282,229	4,857,157	5,208,230	5,432,352	5,042,426	5,636,087	5,294,524

FINANCIAL STATEMENTS

15.0 Prospective Income Statement – For 10 Years Commencing 1 July 2006

	2005/06 Estimate	2005/06 Est Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
Funding Assistance	2,829,917	2,936,493	2,864,050	3,020,194	3,187,940	3,086,010	3,391,610	3,629,120	3,760,586	3,742,611	3,780,460	4,061,992
User Fees and Charges	1,387,551	1,559,566	1,942,333	1,948,749	1,718,764	1,789,511	1,859,595	1,911,941	1,957,371	2,008,498	2,063,658	2,108,773
Total Operating Income	4,217,468	4,496,059	4,806,383	4,968,943	4,906,704	4,875,521	5,251,205	5,541,061	5,717,957	5,751,109	5,844,118	6,170,765
Rates Income	7,009,142	7,103,914	7,658,535	8,092,602	8,524,567	8,963,547	9,308,102	9,683,713	10,016,737	10,104,010	10,330,294	10,365,737
Interest on Investments	71,200	75,586	70,650	70,200	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Total Income	11,297,810	11,675,559	12,535,568	13,131,745	13,501,271	13,909,068	14,629,306	15,294,774	15,804,694	15,925,118	16,244,412	16,606,503
Gross Operating Expenditure	7,667,215	8,362,357	8,144,961	8,367,621	8,572,412	8,714,107	8,779,675	8,966,037	8,941,646	9,106,514	9,193,660	9,243,632
Sundry Expenditure	-	10,214	-	-	-	-	-	-	-	-	-	-
Depreciation	2,373,280	2,904,566	2,969,421	3,030,204	3,213,055	3,264,732	3,323,060	3,486,545	3,505,172	3,550,499	3,677,994	3,704,250
Total Expenditure	10,040,495	11,277,137	11,114,382	11,397,825	11,785,467	11,978,839	12,102,735	12,452,582	12,446,818	12,657,013	12,871,654	12,947,881
Operating Surplus (Loss)	1,257,315	398,422	1,421,186	1,733,921	1,715,804	1,930,229	2,526,571	2,842,192	3,357,876	3,268,105	3,372,758	3,658,621
Gross Operating Expenditure includes interest expense of	928,703	955,280	977,369	1,010,234	982,431	912,968	840,489	759,241	657,020	529,216	427,375	280,519

16.0 Prospective Statement of Changes in Equity

– For 10 Years Commencing 1 July 2006

	2005/06 Estimate	2005/06 Est Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
Equity at start of the year	147,790,987	147,294,598	180,713,048	182,134,235	183,868,155	205,712,733	207,642,962	210,169,533	230,971,268	234,329,143	237,597,249	256,128,542
Net Surplus (Loss) for the year	1,257,315	398,422	1,421,186	1,733,921	1,715,804	1,930,229	2,526,571	2,842,192	3,357,876	3,268,105	3,372,758	3,658,621
Movement in Revaluation Res	-	33,020,028	-	-	20,128,774	-	-	17,959,543	-	-	15,158,535	-
Reversal on Disposal of Assets												
Total Recognised Revenues and Expenses for the year	1,257,315	33,418,450	1,421,186	1,733,921	21,844,578	1,930,229	2,526,571	20,801,735	3,357,876	3,268,105	18,531,293	3,658,621
Equity at end of the year	149,048,302	180,713,048	182,134,235	183,868,155	205,712,733	207,642,962	210,169,533	230,971,268	234,329,143	237,597,249	256,128,542	259,787,163
Represented by:												
Accumulated Funds	134,749,274	133,222,768	134,677,455	136,431,375	138,187,179	140,107,408	142,633,979	145,476,171	148,834,046	152,102,152	155,474,910	159,133,531
Reserves and Special Funds	427,518	641,070	607,570	587,570	547,570	557,570	557,570	557,570	557,570	557,570	557,570	557,570
Revaluation Reserves	13,871,510	46,849,210	46,849,210	46,849,210	66,977,984	66,977,984	66,977,984	84,937,527	84,937,527	84,937,527	100,096,062	100,096,062
	149,048,302	180,713,048	182,134,235	183,868,155	205,712,733	207,642,962	210,169,533	230,971,268	234,329,143	237,597,249	256,128,542	259,787,163

17.0 Prospective Balance Sheet

– For 10 Years Commencing 1 July 2006

	30/06/2006 Estimate	30/06/2006 Est Actual	30/06/2007 Estimate	30/06/2008 Estimate	30/06/2009 Estimate	30/06/2010 Estimate	30/06/2011 Estimate	30/06/2012 Estimate	30/06/2013 Estimate	30/06/2014 Estimate	30/06/2015 Estimate	30/06/2016 Estimate
Public Equity												
Accumulated Funds	134,749,274	133,222,768	134,677,455	136,431,375	138,187,179	140,107,408	142,633,979	145,476,171	148,834,046	152,102,152	155,474,910	159,133,531
Reserves and Special Funds	427,518	641,070	607,570	587,570	547,570	557,570	557,570	557,570	557,570	557,570	557,570	557,570
Revaluation Reserves	13,871,510	46,849,210	46,849,210	46,849,210	66,977,984	66,977,984	66,977,984	84,937,527	84,937,527	84,937,527	100,096,062	100,096,062
	149,048,302	180,713,048	182,134,235	183,868,155	205,712,733	207,642,962	210,169,533	230,971,268	234,329,143	237,597,249	256,128,542	259,787,163
Represented by:												
Current Assets												
Bank	900,000	900,000	1,150,000	1,200,000	1,200,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000
Accounts Receivable	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000
Property Held for Resale	554,052	1,148,404	516,404	271,960	-	-	-	-	-	-	-	-
	3,204,052	3,798,404	3,416,404	3,221,960	2,950,000	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000
Less Current Liabilities												
Current Portion of Term Loans	87,181	15,754	17,121	397,183	992,332	1,035,420	1,160,679	1,460,296	1,825,779	1,454,869	2,097,947	1,000,000
Accounts payable	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
Rates Paid in Advance	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Employee Provisions	250,000	260,214	260,214	260,214	260,214	260,214	260,214	260,214	260,214	260,214	260,214	260,214
	2,112,181	2,050,968	2,052,335	2,432,397	3,027,546	3,070,634	3,195,893	3,495,510	3,860,993	3,490,083	4,133,161	3,035,214
Working Capital	1,091,871	1,747,436	1,364,069	789,563	(77,546)	(170,634)	(295,893)	(595,510)	(960,993)	(590,083)	(1,233,161)	(135,214)
Non-Current Assets												
Fixed Assets												
Operational - Plant and Machinery	439,845	391,952	423,627	475,976	492,856	530,628	591,354	618,952	668,047	744,139	775,260	830,051
- Furniture and Fittings	569,098	610,053	679,153	703,678	690,710	682,786	684,121	701,168	692,739	656,832	627,396	595,863
- Land and Buildings	6,942,517	13,377,371	14,047,266	13,999,710	17,875,079	17,727,332	17,583,635	21,327,282	21,148,564	20,935,066	24,620,841	24,366,387
	7,951,460	14,379,376	15,150,046	15,179,364	19,058,644	18,940,746	18,859,109	22,647,401	22,509,349	22,336,036	26,023,496	25,792,300
Restricted	5,560,701	8,582,614	8,624,903	9,190,253	11,739,183	11,688,358	11,691,518	14,299,039	14,278,818	14,241,084	16,672,417	16,623,401
Infrastructural	146,832,667	168,917,796	170,227,416	172,032,003	187,323,883	188,480,502	190,050,131	203,295,374	205,351,226	207,004,599	217,962,231	219,803,118
	160,344,828	191,879,786	194,002,365	196,401,620	218,121,710	219,109,607	220,600,758	240,241,813	242,139,393	243,581,720	260,658,144	262,218,818
Investments	791,614	716,933	713,099	711,706	710,970	710,970	710,970	710,970	710,970	710,970	710,970	710,970
	161,136,442	192,596,719	194,715,464	197,113,326	218,832,680	219,820,577	221,311,728	240,952,783	242,850,363	244,292,690	261,369,114	262,929,788
Non-Current Liabilities												
Term Liabilities	13,180,011	13,631,107	13,945,298	14,034,735	13,042,401	12,006,980	10,846,301	9,386,006	7,560,227	6,105,358	4,007,411	3,007,411
NET ASSETS	149,048,302	180,713,048	182,134,235	183,868,155	205,712,733	207,642,962	210,169,533	230,971,268	234,329,143	237,597,249	256,128,542	259,787,163

18.0 Prospective Statement of Cash Flow

– For 10 Years Commencing 1 July 2006

	2005/06 Estimate	2005/06 Est Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
OPERATING ACTIVITIES												
Cash was provided from:												
Rates	7,009,142	6,958,478	7,658,535	8,092,602	8,524,567	8,963,547	9,308,102	9,683,713	10,016,737	10,104,010	10,330,294	10,365,737
User Fees and Charges	4,149,968	3,954,543	4,738,883	4,876,289	4,811,464	4,777,829	5,151,219	5,438,939	5,613,811	5,645,141	5,736,554	6,061,559
Rents Received	67,500	67,500	67,500	92,654	95,240	97,692	99,986	102,122	104,146	105,968	107,564	109,206
Interest on Investments and Special Funds	71,200	75,586	70,650	70,200	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
	11,297,810	11,066,107	12,535,568	13,131,745	13,501,271	13,909,068	14,629,306	15,294,774	15,804,694	15,925,118	16,244,412	16,606,503
Cash was applied to:												
FBT	11,800	11,800	11,800	12,166	12,532	12,862	13,181	13,487	13,771	14,018	14,254	14,479
Bank Fees	5,500	5,500	5,500	5,671	5,841	5,995	6,144	6,287	6,419	6,534	6,644	6,749
Loan Interest	920,000	920,000	900,000	885,000	880,000	820,000	730,000	660,000	550,000	430,000	330,000	330,000
Payments to Employees	1,753,200	1,652,411	1,742,986	1,797,030	1,840,860	1,881,184	1,918,001	1,953,065	1,986,376	2,016,180	2,042,478	2,068,776
Payments to Suppliers	4,976,715	6,364,206	5,484,675	5,667,754	5,833,179	5,994,066	6,112,350	6,333,198	6,385,081	6,639,781	6,800,284	6,823,629
	7,667,215	8,953,917	8,144,961	8,367,621	8,572,412	8,714,107	8,779,675	8,966,037	8,941,646	9,106,514	9,193,860	9,243,632
Net Cashflow from Operating	3,630,595	2,102,190	4,390,607	4,764,125	4,928,859	5,194,961	5,849,631	6,328,737	6,863,048	6,818,605	7,050,752	7,362,871
INVESTING ACTIVITIES												
Cash was provided from:												
Sale of Fixed Assets	21,000	170,888	30,000	50,000	40,531	30,000	50,000	40,572	30,000	50,000	40,604	30,000
Property Sold	902,000	2,282,096	632,000	244,444	164,444	-	-	-	-	-	-	-
Staff / Rural Housing Repayments Principal	3,581	3,583	3,834	1,393	736	-	-	-	-	-	-	-
	926,581	2,456,567	665,834	295,837	205,711	30,000	50,000	40,572	30,000	50,000	40,604	30,000
Cash was applied to:												
Capital Expenditure on Term Assets	4,781,500	5,205,376	5,122,000	5,479,459	4,737,387	4,282,629	4,864,211	5,208,630	5,432,752	5,042,826	5,636,487	5,294,924
	4,781,500	5,205,376	5,122,000	5,479,459	4,737,387	4,282,629	4,864,211	5,208,630	5,432,752	5,042,826	5,636,487	5,294,924
Net Cashflow from Investing	(3,854,919)	(2,748,809)	(4,456,166)	(5,183,622)	(4,531,676)	(4,252,629)	(4,814,211)	(5,168,058)	(5,402,752)	(4,992,826)	(5,595,883)	(5,264,924)
FINANCING ACTIVITIES												
Cash was provided from:												
Loans Raised	638,819	712,556	331,313	486,618	-	-	-	-	-	-	-	-
	638,819	712,556	331,313	486,618	-	-	-	-	-	-	-	-
Cash was applied to:												
Existing Loans Repaid	14,495	14,495	15,754	17,121	7,862	-	-	-	-	-	-	-
Loans Repaid	14,495	14,495	15,754	17,121	389,321	992,332	1,035,420	1,160,679	1,460,296	1,825,779	1,454,869	2,097,947
	14,495	14,495	15,754	17,121	397,183	992,332	1,035,420	1,160,679	1,460,296	1,825,779	1,454,869	2,097,947
Net Cashflow from Financing	624,324	698,061	315,559	469,497	(397,183)	(992,332)	(1,035,420)	(1,160,679)	(1,460,296)	(1,825,779)	(1,454,869)	(2,097,947)
NET INCREASE IN CASH HELD	400,000	51,442	250,000	50,000	-	(50,000)	-	-	-	-	-	-
OPENING CASH BALANCE	500,000	848,558	900,000	1,150,000	1,200,000	1,200,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000
CLOSING CASH BALANCE	900,000	900,000	1,150,000	1,200,000	1,200,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000

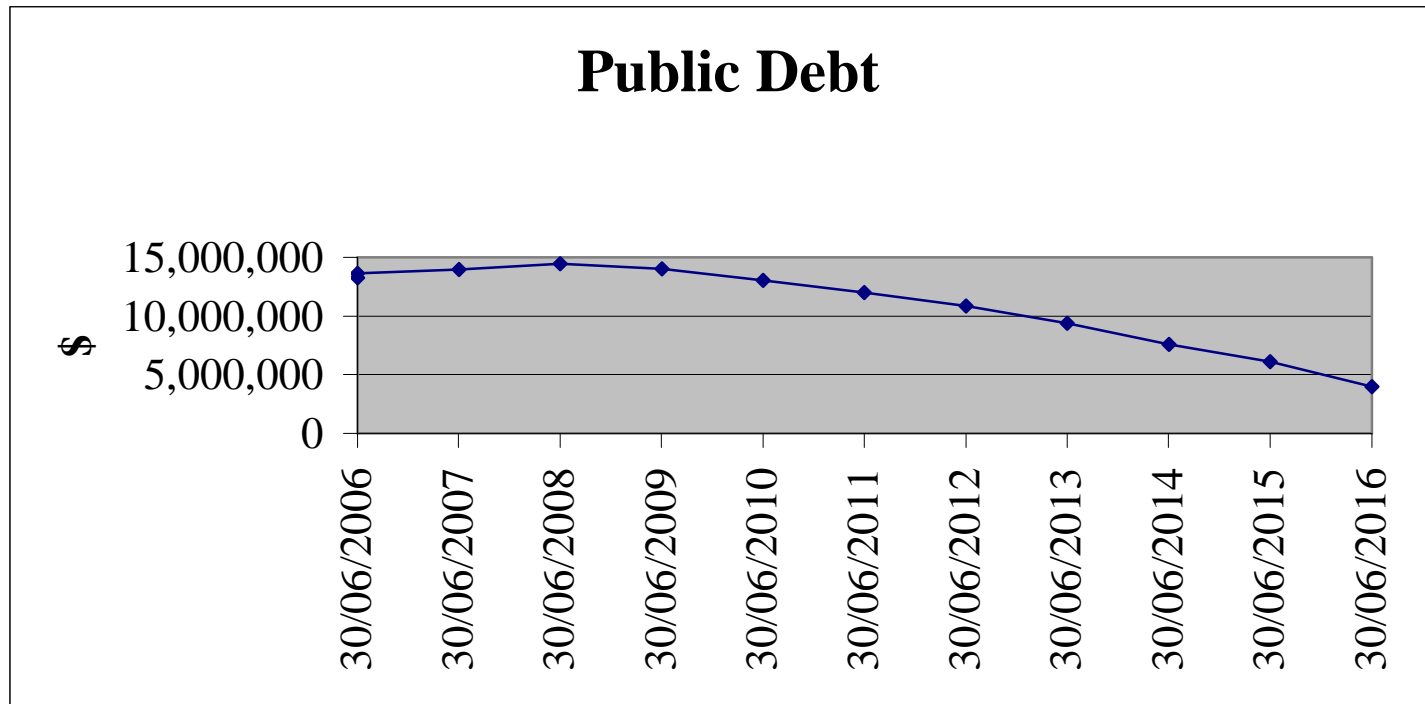
* 2005/06 Property sold includes balance of forecasted sales for stage two of Progress Park, and majority of forecasted sales for Westridge Subdivision.

19.0 Prospective Statement of Debt

– For 10 Years Commencing 1 July 2006

The Public Debt Profile is based on the financial projections of the Otorohanga District Council until the 2015/16 financial year. These statements are based on activity expenditure and revenue projections and the assumptions and policies provided in this document, the Treasury Management Policy, Funding Policy, and Asset Management Plans.

	30/06/2006 Estimate	30/06/2006 Est Actual	30/06/2007 Estimate	30/06/2008 Estimate	30/06/2009 Estimate	30/06/2010 Estimate	30/06/2011 Estimate	30/06/2012 Estimate	30/06/2013 Estimate	30/06/2014 Estimate	30/06/2015 Estimate	30/06/2016 Estimate
EXTERNAL LOAN BALANCE												
Opening Loan Balance	12,642,869	12,948,800	13,646,861	13,962,419	14,431,917	14,034,734	13,042,402	12,006,981	10,846,302	9,386,007	7,560,228	6,105,359
Net Loans Required	638,819	712,556	331,313	486,618	(389,321)	(992,332)	(1,035,420)	(1,160,679)	(1,460,296)	(1,825,779)	(1,454,869)	(2,097,947)
Loans Repaid	14,495	14,495	15,754	17,121	7,862	-	-	-	-	-	-	-
CLOSING LOAN BALANCE	13,267,193	13,646,861	13,962,419	14,431,917	14,034,734	13,042,402	12,006,981	10,846,302	9,386,007	7,560,228	6,105,359	4,007,412



20.0 Statement of Accounting Policies

– For 10 Years Commencing 1 July 2006

A. General Accounting Policies

Otorohanga District Council (ODC) is a local authority governed by the Local Government Act 2002 (LGA 2002).

The Financial Statements have been prepared in accordance with the requirements of Section 98 of the LGA 2002 and generally accepted accounting practices recognised as appropriate and relevant for the reporting of financial information in the public sector.

Basis of Preparation

These prospective financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand and the requirements of the LGA 2002. These financial statements have also been prepared on the basis of the stated assumptions listed in note 21.

The Council is required under the LGA 2002 to issue an updated LTCCP every three years.

The financial statements are presented in New Zealand dollars.

Statement of Compliance

This is Council's first time in complying with the applicable New Zealand International Financial Reporting Standards (NZ IFRS). ODC is a public benefit entity (PBE) and has applied the PBE exemptions allowable under NZ IFRS. The comparative information (2005/06 financial year) has been restated to reflect the new standards. Any resulting changes arising from the transitions to NZ IFRS has been adjusted directly to ratepayers equity.

The Long-term Community Council Plan (LTCCP) is in full compliance with Financial Reporting Standard 42 (FRS 42) 'Prospective Financial Statements'.

Measurement Base

The measurement base adopted is that of historical cost modified for the revaluation of certain investments, land and buildings and infrastructural assets. Accrual accounting is used to measure the costs of services provided and to recognise revenue.

Reliance is placed upon the fact that the Council is a "going concern".

B. Particular Accounting Policies

I. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Council and the revenue can be reliably measured. Revenue is recognised at fair value. The following specific recognition criteria must also be met before revenue is recognised.

Subsidy Revenue

Land Transport New Zealand roading subsidies are recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.

Rates

Rates are recognised on the due date for each instalment.

Fees and Charges

Fees and charges are recognised as revenue when the obligation to pay arises or, in the case of licence fees, upon renewal of the licence. Expenditure is recognised when the service has been provided or the goods received.

Other Revenues

Other revenues are recognised when the service is provided. Other grants and assets vested in the Council are recognised as revenue when control over the asset is obtained.

Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the life of the financial instrument) to the net carrying amount of the financial asset.

Rental Income

Rental income arising on property owned by Council is accounted for on a straight-line basis over the lease term.

II. Expenditure

Expenditure is recognised when Council is deemed to have been supplied with the service or has control of the goods supplied.

III. Borrowing Costs

Borrowing costs are recognised as an expense when incurred.

IV. Property held for Resale

Properties held for resale are separately recognised as a current asset when the sale of a property is highly probable and management are committed to a plan to sell the asset, which is expected to occur within one year. Properties held for resale are valued at lower of the carrying value and the fair value less disposal costs.

V. Property Plant and Equipment

Operational Assets

Motor vehicles, computer hardware and software, plant and office equipment and office furniture are recorded at cost less accumulated depreciation and any impairment in value.

Land, buildings and improvements were valued at fair value as at 1 July 2005 by Quotable Value Limited. Fair value for buildings and improvements has been determined to be the depreciated replacement cost. Council's policy is to revalue every 3 years. Additions to assets between valuations are recorded at cost.

Restricted Assets

Restricted assets are parks and reserves owned by the Council that provide a benefit or service to the Community and cannot be disposed of because of legal or other restrictions.

Restricted land and buildings were valued at fair value as at 1 July 2005 by Quotable Value Limited. Council's policy is to revalue every 3 years. Additions to assets between valuations are recorded at cost.

Infrastructural Assets

Infrastructural Assets are the fixed utility systems owned by the Council. Each

asset type includes all items that are required for the network to function; for example, sewer reticulation includes piping and sewer pump stations.

Infrastructural Assets have been valued at depreciated replacement cost as at 1 July 2005 based on a valuation by in-house engineering staff that was independently reviewed by Maunsell Consultants. The land under roads has been brought to account by determining the total land area and multiplying this by an average District land value determined by the most recent Government valuation. It is Council's policy to revalue infrastructure assets every 3 years.

Additions to assets between valuations are recorded at cost.

VI. Depreciation on Property, Plant and Equipment

Depreciation is provided on all property, plant and equipment other than land, road formation and items under construction, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their remaining useful lives.

The annual rates applied are:

	Useful Life (Years)	Depreciation Rate
Buildings – Concrete	100	1%
Buildings – Wooden	40	2.5%
Vehicles	6.6	15%
Computers	3-4	25-33%
Office Equipment	4-10	10-25% DV
Furniture/Fixtures	10	10% DV
Library Books	6.6	15% DV
Plant & Machinery	2.5-3	33.33-40%

Water Treatment

Piping	36-80	1.25-2.7%
Equipment	2-50	2-50%
Other	20	5%

Water Reticulation

Piping	5-80	1.25-20%
Equipment	5-30	3.33-20%
Other	25	4%

Wastewater

Piping	14-80	1.25-7.14%
Equipment	3-60	1.66-33%
Other	19-37	2.7-5.26%

Stormwater

Piping	13-80	1.25-7.7%
Equipment	8-60	1.66-12.5%
Other	25	4%

Roading

Pavement (Basecourse)

Sealed	1-60	1.66-100%
Unsealed	1-6	16.5-100%
Seal	1-15	6.7-100%
Culverts	10-80	1.25-10%
Bridges	12-94	1-8.5%
Kerb & Channel	45	2.2%
Footpaths	20-55	1.8-5%
Streetlights	5-46	2-20%
Signposting	5-20	5-20%
Delineators/ RPMs	3-7	14.3-33.3%

Depreciation on infrastructural assets and buildings has been based on current valuation (depreciated replacement cost) amortised over the useful life of the asset.

Impairment

The carrying values of operational buildings, plant and equipment and infrastructural assets are reviewed annually for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

If any such indication exists and where the carrying values are found to exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

An impairment loss is recognised in the Income Statement whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses on revalued assets offset any balance in the asset revaluation reserve, with any remaining impairment loss being posted to the Income Statement.

Revaluations

Following initial recognition at cost, operational land and buildings and infrastructure assets are carried at a relevant amount, which is the fair value at the date of the revaluation less any subsequent accumulated depreciation on buildings and infrastructural assets and accumulated impairment losses.

Fair value is determined by reference to market based evidence, which is the amount which the assets could be exchanged between a willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. Where no market exists for assets, for example for infrastructure assets, the fair value is the depreciated replacement costs.

Any revaluation surplus is credited to the appropriate asset revaluation reserve included in the equity section of the balance sheet unless it reverses a revaluation decrease of the same class of asset previously recognised in the income statement. Revaluation changes are recorded on a class of assets basis.

Any revaluation deficit is recognised in the income statement unless it directly offsets a previous surplus in the same asset class in the asset revaluation reserve.

In addition, any accumulated depreciation as at revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to accumulated funds.

Independent valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the asset's fair value at the balance sheet date.

An item of property, plant & equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Income Statement in the year the item is derecognised.

VII. Goods and Services Tax

All amounts in the financial statements are stated exclusive of GST except receivables and payables which are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivable or payable in the balance sheet.

Cash in/out flows are included in the cash flow statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Inland Revenue Department are classified as operating cash flows.

VIII. Budget Figures

The budget figures are those approved by the Council at the beginning of the year after a period of consultation with the public as part of the LTCCP/ Annual Plan process. The budget figures have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by the Council for the preparation of the financial statements.

IX. Provisions

Provisions are recognised when the Council has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where Council expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the time value of money is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate the risks specific to the liability.

X. Landfill aftercare provision

Council has a legal obligation under the resource consent to provide ongoing maintenance and monitoring services at closed landfill sites. A provision for post-closure costs has been recognised as a liability.

The provision is based on the present value of future cash flows expected to be incurred, taking into account future events including new legal requirements and known improvements in technology. The provision includes all costs associated with landfill post closure.

The discount rate used is a rate that reflects current market assessments of the time value of money and the risks specific to Council.

XI. Financial Instruments

Council is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, investments, debtors, creditors and loans. All financial instruments are recognised in the Balance Sheet when the Council becomes party to the contractual provisions of the instrument.

i) Accounts Receivable

Accounts receivable are recognised and carried at original invoice amount less an allowance for debts. Bad debts are written off when identified.

ii) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowing.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains and losses are recognised in the Income Statement when the liabilities are derecognised as well as through the amortisation process.

iii) Held to Maturity Investments

Held to maturity investments, are non-derivative financial assets with fixed or determinable payments and fixed maturities that management has the positive intention and ability to hold to maturity. They are measured at initial recognition of fair value, and subsequently carried at amortised cost less impairment losses.

iv) Other Investments

Investments other than held to maturity are classed as either investments held for trading or as available for sale and are stated at cost less the annual test of impairment. For assets designated as held for trading, any resultant gain or loss from changes in the fair value are recognised in the Income Statement. For assets designated as available for sale, any resultant gain or loss from changes in the fair value is recognised in equity.

Waikato Regional Airport Limited shareholding has been valued at estimated fair value being the Council's share of net tangible assets. Any resultant gain or loss from changes in fair value is recognised in the Income Statement.

v) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

vi) Trade Payables

Trade payables are initially measured at fair value, and where appropriate are subsequently measured at amortised cost, using the effective interest rate method.

XII. Employee Entitlements

Provision is made in respect of the Council's liability for annual leave, sick leave, long service leave and retirement gratuities. Annual leave and gratuity has been calculated on an actual entitlement basis at current rates of pay. Long Service leave has been calculated on an actuarial basis at current rates of pay.

Sick Leave is calculated as the amount of unused entitlement accumulated at the balance sheet date that the Council anticipates employees will use in future periods in excess of the days that they will be entitled to in each of those periods.

XIII. Equity

Equity is the Community's interest in the Council as measured by total assets less total liabilities. Public equity is disaggregated and classified into a number of reserves to enable clearer identification of the specified uses that Council makes of its accumulated surpluses.

The components of equity are:

- Ratepayers Equity;
- Restricted reserves (Special Funds);
- Council created reserves (Special Funds); and
- Asset revaluation reserves.

XIV. Leases

Council as a lessor

Leases where the Council effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Revenue under these leases is recognised as income on a straight-line basis over the term of the lease.

Council as a lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Payments under these leases is recognised as expenditure on a straight-line basis over the term of the lease.

XV. Reserves

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council. Restricted reserves are those reserves subject to specific conditions accepted as binding by the Council and which the Council may not revise without reference to the Courts or third parties.

Transfers from these reserves may be

made only for certain specified purposes or when certain specified conditions are met.

Council created reserves are reserves established by Council decision. The Council may alter them without reference to any third parties or the Courts. Transfers to and from these reserves are at the discretion of the Council.

Asset revaluation reserves represent unrealised gains on assets owned by Otorohanga District Council. The gains are held in the reserve until such time as the gain is realised and a transfer can be made to accumulated funds.

XVI. Joint Ventures

The Group has the following interests in joint venture:

- A 7 per cent share in the ownership of Local Authority Shared Services (L.A.S.S).

XVII. Statement of Cash Flows

Cash means cash balances on hand, held in bank accounts and short term deposits with an original maturity of three months or less in which the Council invests as part of its day to day cash management. This Statement of Cash flows is divided into the following three parts.

Operating activities include cash received from all income sources of the group and record the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in equity and debt capital structure of the Council and group.

XVIII. Cost of Service Statement

The Cost of Service Statements, as provided in the LTCCP, report the net cost of services for significant activities of the Council, and are represented by the costs of providing the service less all revenue that can be allocated to these activities.

- **Cost Allocation** – Otorohanga District Council has derived the net cost of service for each significant activity of the Council, using the cost allocation system outlined below.
- **Cost Allocation Policy** – Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on cost drivers and related activity/ usage information.
- **Criteria for Direct and Indirect Costs** – “Direct Costs” are those costs directly attributable to a significant activity. “Indirect Costs” are those costs that cannot be identified in an economically feasible manner with a specific significant activity.
- **Cost Drivers for Allocation of Indirect Costs** – The cost of internal services that are not directly charged to activities is allocated as overheads using appropriate cost drivers such as actual usage, staff numbers, and floor area.

20.1 Impact of adoption of NZ IFRS

The impact of adopting NZ IFRS on the total equity and profit as reported under previous New Zealand generally accepted accounting practice (NZ GAAP) is illustrated as follows:

	30 June 2005
Total equity under previous NZ GAAP	147,294,598
Total equity under NZ IFRS	147,294,598

As shown there were no changes required to total equity or surplus as a result of the Council adopting NZ IFRS for the first time.

Change in Accounting Policy

There have been no changes from the accounting policies adopted in the last audited financial statements, other than those required under NZ IFRS as detailed above.

20.2 Significant Assumptions

i) Purpose of Preparation

The purpose of this LTCCP is to provide a “best-endeavours” outline of the Otorohanga District Council’s plans to enable it to achieve its strategic goals and community outcomes, in collaboration with other stakeholders, over the 10 year period ; 2006-2016.

ii) Basis of assumptions, risks and uncertainties.

Prospective information is based on a number of assumptions. Risks and uncertainties surround these assumptions. The basis of the assumptions, risks and uncertainties surrounding the information are found in Planning Assumptions below.

The information should therefore be used carefully, with the best-endeavours purpose in mind. The Local Government Act 2002 (Schedule 10 (1)(e)) requires that information relating to levels of service, estimated expenses and revenue be provided in detail for 3 financial years, and indicative for the subsequent 7 financial years. Over time, information becomes increasingly indicative from the time it was first prepared.

The approach taken to budget development has been that of preparing ‘forecasts’ on a best estimate basis. In this case, a forecast refers to financial information based on assumptions as to

future events Council expects to occur and on the basis of Council’s expected response to these events. Council has not taken an approach where hypothetical (“ what-if”) projections are used.

The figures presented are budgeted. However, the opening balance of the 2006/07 year is based on the estimated actual result, with this estimation having been made in January 2006.

The major limitation of the forecasting approach, as with any approach, is that events may change over time and undermine the accuracy of assumptions made. The actual financial results achieved for the period are likely to vary from the information presented and the variations may be material.

The review of assumptions underlying the financial information was undertaken in preparation of the LTCCP, between January 2006 and March 2006. However, the assumptions themselves will be adopted by Council resolution only as part of the LTCCP document following deliberations in June 2006.

Changes to the assumptions may be made up until adoption of the LTCCP.

The Council is required, under the LGA 2002, to issue an updated LTCCP every 3 years. The next update is planned for June 2009.

21.0 General Assumptions, Risks, Commitments and Contingencies

Key Forecasting assumptions

Schedule 10 of the Local Government Act 2002 requires Council to clearly identify

- All significant forecasting assumptions and Risk underlying the Financial Statements;
- The assumptions of the Local Authority concerning useful life of significant assets and the sources of funds for future replacement of those assets; and
- In any case where significant

forecasting assumptions involve a high level of uncertainty, the fact of the uncertainty, and an estimate of the potential effects of that uncertainty on the financial estimates provided.

Inflation

Price level adjustments for inflation have been allowed for the last nine years of the Plan. For the first year current (2006) values have been used.

Price level adjustments for the other nine years of the Plan have been arrived at by applying the factors provided by Business and Economic Research Ltd.

Table 21.0.1

This table lists the forecast indices for each of the adjustors for the period from the year ended June 2005 to the year ended June 2017.

Adjustors: Index 2007 = 1000

YEAR ENDING	ROAD	PROPERTY	WATER	ENERGY	STAFF	OTHER
Jun 05	946	941	913	907	945	945
Jun 06	976	973	961	962	976	971
Jun 07	1000	1000	1000	1000	1000	1000
Jun 08	1026	1029	1042	1041	1025	1031
Jun 09	1050	1057	1084	1081	1050	1062
Jun 10	1074	1084	1124	1120	1073	1090
Jun 11	1095	1109	1162	1157	1094	1117
Jun 12	1116	1132	1198	1192	1114	1143
Jun 13	1134	1154	1232	1225	1133	1167
Jun 14	1151	1174	1264	1255	1150	1188
Jun 15	1166	1191	1293	1283	1165	1208
Jun 16	1182	1209	1322	1311	1180	1227
Jun 17	1197	1228	1352	1340	1195	1251

RISKS	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY SOURCE
There will be movements in pricing of services purchased by Council.	Medium	Pricing is subject to variation caused by factors outside the control of Council including – <ul style="list-style-type: none"> ▪ Exchange Rates; ▪ Global Economy; ▪ Monetary Policies; ▪ Interest Rates; ▪ Major catastrophic events; and ▪ Local economy.
Inflation adjustments will differ significantly from the forecasts.	Medium	The cumulative effect of including inflation adjusted figures introduces a high level of uncertainty in future predictions.

Loans

The term of Loans raised is the life of the asset or 25 years whichever is the lesser. Rate levels have been set to ensure there is sufficient cash available to repay the loan over this term.

The interest rate used in the Plan is 7%. It is considered that this is a reasonable

rate given the current debt profile and future interest rate trends.

Internal Surplus's and external borrowings are used to fund Loan Raising required to fund an activity. The Balance Sheet liability includes external loans only.

RISKS	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY SOURCE
Interest Rates will increase.	Low	Council Revenue will need to increase to Fund additional interest.
Council will be unable to fill Loan Raising requirements.	Low	Council projects will need to be curtailed.

Return on Investments

All available cash balances will be invested and are expected to generate a return of 5%.

Assets

The Council has made a number of assumptions about the useful lives of its Assets.

These are detailed in the Statement of Accounting Policies. Depreciation is fully funded with the following exceptions –

- Housing for the Elderly;

- Public Halls; and
- Waipa Rural Water Supplies.

Assets are revalued every 3 years.

The funding for the purchase or renewal of any asset will be funded from one or several of the following –

- Operating surplus's including cash accumulated from the funding of Depreciation; and
- Loan Funding with the Loan being the shorter of the Life of the Asset or 25 years.

RISKS	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY SOURCE
Assets will Depreciate at a higher rate than forecast.	Low	Uncertainty over the condition of underground assets which will reach the end of their useful life earlier than predicted.
Capital Expenditure for major Capital projects may vary from forecasts.	Medium	Market conditions and availability of competitive Tenderers may limit Councils Capital Expenditure programme.

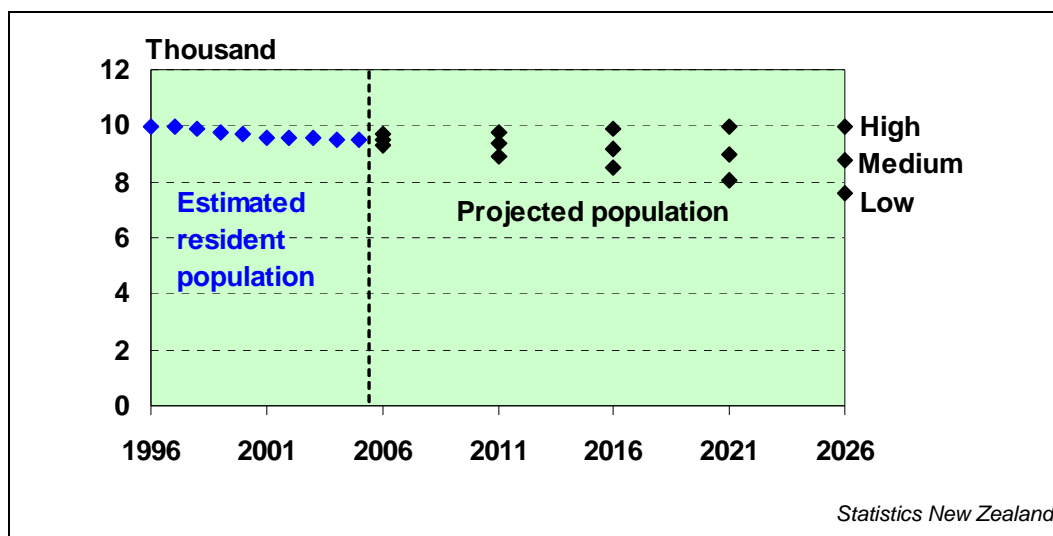
Growth

The Department of Statistics have forecast declining population in the District based on Census trends over the last 2 census.

Building Consent, subdivision and local knowledge would indicate that this is

unlikely to happen and accordingly it is appropriate to forecast static population growth.

Another consideration is the size of the population base which is relatively small and sensitive to change.

Table 21.0.2
Otorohanga District – Population Estimates and Projections


RISKS	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY SOURCE
Population Growth will be in excess of predictions.	Low	Pressure on Infrastructure may require capacity increases and possible increase in Revenue or if no increase in capacity is required then economies of scale may result in savings.

Balanced Budget Requirement

- 1) A local authority must ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses.
- 2) Despite subsection (1), a local authority may set projected operating revenues at a different level from that required by that subsection if the local authority resolves that it is financially prudent to do so, having regard to:
 - a) the estimated expenses of achieving and maintaining the predicted levels of service provision set out in the LTCCP, including the estimated expense associated with maintaining the service capacity and integrity of assets throughout their useful life; and
 - b) the projected revenue available to fund the estimated expenses associated with maintaining the service capacity and integrity of

assets throughout their useful life;

- c) the equitable allocation of responsibility for funding the provision and maintenance of assets and facilities throughout their useful life; and
- d) the funding and financial policies adopted under section 102.

Council has decided not to fund depreciation on the following assets, while this does not comply with the legislation, it is acceptable providing appropriate community consultation has taken place.

Community Facilities – Depreciation has not been funded on some of these assets as they are considered non-strategic and will not be replaced once they are no longer useful.

Waipa Rural Water Supply – After consultation with the Water Supply Committee the decision was made not to fund depreciation. It was considered that the scheme was relatively new with minimal renewal work required over the next 20 years and consumers had also paid a capital contribution to join the

scheme. It is envisaged that sustaining current income levels over the term of the

LTCCP will result in sufficient surpluses to fund desired capital expenditure.

	2006/2007	2007/2008	2008/2009
Community Facilities			
Community Halls	10,231	10,231	10,231
Kawhia Community Centre	6,700	6,700	6,700
Kawhia Housing for the Elderly	7,200	9,200	9,200
Otorohanga Housing for the Elderly	35,000	42,000	42,000
	59,131	68,131	68,131
Waipa Rural Water Supply	36,000	36,000	36,000
Depreciation not funded	95,131	104,131	104,131

Quality Statement

Each significant activity includes performance measures, which incorporate elements of quality.

In house quality measures are a standard of the management control systems.

POLICIES

22.0 Funding Impact Statement

22.1 Introduction

The Local Government (Rating) Act 2002 sets out the methods by which local authorities can rate and the detailed criteria around their uses.

The Local Government Act 2002 sets out processes and policies that local authorities must apply in the establishment of their rating systems, including the provisions of information to communities.

This funding impact statement, which has been prepared in accordance with clause 13 of schedule 10 of the Local Government Act 2002, sets out:

- The revenue and financing mechanisms used;

- An indicative level or amount of funding for each mechanism;
- Explanatory information supporting the use of general and targeted rates; and
- A summary of the total rates requirement.

The application of funding methods to Council's activities is summarised in a table at the end of this section.

This statement should be read in conjunction with Council's Revenue and Financing policy that sets out Council's policies in respect of each source of funding of operating and capital expenses.

22.2 Revenue and Financing Mechanisms Background

Council will fund all its activities for the coming ten-year period from a mixture of the following tools:

- General Rates;
- Targeted Rates;
- Fees and Charges;
- Subsidies;
- Depreciation Funds and other reserves;
- Loans and Borrowings; and
- Financial Contributions.

The exact nature or source of funding will vary between significant activities.

Each activity or group of activities show the proposed funding arrangements.

The Otorohanga District Council proposes the following rating system:

District

a) General Rate and Uniform Annual General Charge

A General rate on the rateable capital value of all properties in the District and a uniform annual general charge are levied to fund all or part of activities that benefit the whole of the District.

The uniform annual general charge is levied to ensure that every ratepayer

makes a reasonable contribution to the activities of Council.

b) Targeted Rooding Rate

A Targeted Rooding Rate on the rateable capital value of all properties in the District and a uniform targeted rooding rate are levied to fund Council's rooding activity. The uniform targeted rooding rate is levied to ensure that every ratepayer makes a reasonable contribution to the rooding activity.

Rural Wards

a) Rural Targeted Rate

In addition to the general rate a rural targeted rate on the rateable capital value of all rural properties and a uniform targeted rate are levied to fund all or part of activities that exclusively benefit the rural area.

The uniform targeted rate is levied to ensure that every ratepayer makes a reasonable contribution to the rural activities of Council.

b) Water Supply

Residential properties receiving water from the Otorohanga Community supply are levied a uniform targeted rate.

Extraordinary users are charged at a rate per cubic metre for consumption.

All properties in rural water supply areas are on a metered supply and charged accordingly.

In addition rural water schemes levy an availability charge on each metered connection to ensure that a reasonable contribution is made to the scheme.

c) Water Supply Targeted Loan Rates

Properties in the Tihiroa and Waipa Rural Water supply areas that have not made a capital contribution to their respective schemes are levied a targeted loan rate to finance loan repayment costs in respect of loans raised in lieu of the capital contributions being received.

d) Hall Targeted Rates

Rates are levied in defined Hall areas. Funds received are generally available to Hall Committees to go towards the operation, maintenance, renovation and/or extension of those facilities.

e) Refuse Targeted Rate

All properties situated in the Aotea Community that have a building erected thereon are levied a uniform targeted rate for each separately occupied portion of any building.

f) Account Balances

In the normal course of business Council will from year to year recover accumulated deficits or provide for surpluses for various activities.

Otorohanga Community

a) Otorohanga Community Targeted Rate

In addition to the general rate a targeted community rate on the rateable capital value of all properties in the Otorohanga community and a uniform targeted rate are levied to fund all or part of activities that exclusively benefit the Otorohanga community. The uniform targeted rate is levied to ensure that every ratepayer makes a reasonable contribution to the activities undertaken in the Otorohanga community.

Differential Rating is applied in the Otorohanga Community and is the basis to levy the Otorohanga Community targeted rate and targeted rates to finance sewerage and water loan

charges. Properties are defined by use into two categories, which are, Commercial/Industrial properties and Residential properties. The Commercial Industrial properties pay a differential of 2.5 times the residential rate for those rates levied on the basis of valuation of the property.

b) Security Targeted Rate

A security targeted rate and uniform targeted rate is levied to finance a security patrol service in the central area of Otorohanga.

c) Refuse Targeted Rate

All properties situated in the Otorohanga Community that have a building erected thereon are levied a uniform targeted rate for each separately occupied portion of any building.

d) Water Supply

Properties receiving water from the Otorohanga Community supply are levied a uniform targeted rate per connection. Extraordinary users of water are metered and charged on a consumption basis less a free allowance.

All non-rateable properties are levied a minimum charge.

e) Sewerage

All properties that are connected to the Otorohanga Sewerage Treatment & Reticulation Scheme are levied a uniform targeted rate per connection.

f) Targeted Loan Rates

Properties in the Otorohanga community sewerage and water supply areas are levied a targeted loan rate on a differential basis to finance loan repayment costs in respect of loans raised for capital expenditure on sewerage and water schemes.

g) Account Balances

In the normal course of business Council will from year to year recover accumulated deficits or provide for surpluses for various activities.

Kawhia Community

a) Kawhia Community Targeted Rate

In addition to the general rate a targeted community rate on the rateable capital value of all properties in the Kawhia community and a uniform targeted rate

are levied to fund all or part of activities that exclusively benefit the Kawhia community.

The uniform targeted rate is levied to ensure that every ratepayer makes a reasonable contribution to the activities undertaken in the Kawhia community.

b) Refuse Targeted Rate

All properties situated in the Kawhia Community that have a building erected thereon are to be levied a uniform targeted rate for each separately occupied portion of any building.

c) Water Supply

Properties receiving water from the Kawhia Community supply are levied a uniform targeted rate per connection. Extraordinary users of water are metered and charged on a consumption basis.

d) Targeted Loan Rates

Properties in the Kawhia Community water supply area are levied a targeted loan rate to finance loan repayment costs in respect of loans raised for capital expenditure on the Kawhia water scheme.

e) Account Balances

In the normal course of business Council will from year to year recover accumulated deficits or provide for surplus for various activities.

1) Otorohanga District

a) General Rate

A General Rate of 0.0783 cents in the dollar on the Capital Value of all rateable land within the District of Otorohanga.

b) Uniform Annual General Charge

A Uniform Annual General Charge of \$221 on every separate rating unit within the District of Otorohanga.

(The total general rate and Uniform Annual General Charge are estimated to produce \$2,586,000 and this revenue will be used for the following purposes: Drainage and Utility Services, Community Services, Regulatory, Democratic Process and Other Activities).

2) Otorohanga Rural

a) Rural Targeted Rate

A Targeted Rate of 0.0057 cents in the dollar on the Capital Value of all rateable land within the District of Otorohanga with the exception of the Otorohanga Community and Kawhia Community areas.

b) Separate Uniform Targeted Rate

A Uniform Targeted Rate of \$110 on every separate rating unit within the District of Otorohanga with the exception of the Otorohanga and Kawhia Community areas.

(These rates are estimated to produce \$349,300 and this revenue will be used for the following purposes: Drainage and Utility Services, Community Services and Other Activities).

3) Otorohanga Community

a) Otorohanga Community Targeted Rate

A Targeted Rate levied on the Capital Value of all rateable land within the Community of Otorohanga on a differential basis as follows:

- i) Differential Rating Area No. 1 – 0.1013 cents in the dollar – estimated to produce revenue of \$50,000.
- ii) Differential Rating Area No. 2 – 0.0405 cents in the dollar – estimated to produce revenue of \$48,100.

b) Otorohanga Community Uniform Targeted Rate

A Separate Uniform Targeted Rate of \$198 on each separate rating unit within the Community of Otorohanga.

(These rates are estimated to produce \$239,000 and this revenue will be used for the following purposes: Drainage and Utility Services, Democratic Process, Community Services, and Other Activities).

4) Kawhia Community

a) Kawhia Community Targeted Rate

A Targeted Rate of 0.0461 cents in the dollar levied on the Capital Value of all rateable land within the Community of Kawhia.

b) Kawhia Community Uniform Targeted Rate

A Uniform Targeted Rate of \$85 on each separate rating unit within the Community of Kawhia.

(These rates are estimated to produce \$80,100 and this revenue will be used for the following purposes: Drainage and Utility Services, Community Services, Democratic Process and Other Activities).

5) Targeted Loan Rates

a) Tihiroa Rural Water Supply

A Targeted Loan Rate of 0.0555 cents in the dollar on the Land Value of all rateable land within the Tihiroa Rural Water Supply Area (with the exception of those properties where a Lump Sum Contribution to the Capital Cost of the work has been made).

(This rate is estimated to produce \$6,500 for the purpose of paying Water Supply Loan Charges).

b) Waipa Rural Water Supply

A Targeted Loan Rate of 0.1368 cents in the dollar on the Land Value of all rateable land within the Waipa Rural Water Supply Area (with the exception of those properties where a Lump Sum Contribution to the Capital Cost of the work has been made).

(This rate is estimated to produce \$20,900 for the purpose of paying Water Supply Loan Charges).

c) Otorohanga Sewage Treatment

A Targeted Loan Rate levied on the Capital Value of all rateable land within the Community of Otorohanga on a differential basis as follows:

- i) Differential Rating Area No.1 – 0.1035 cents in the dollar – estimated to produce revenue of \$41,000.
- ii) Differential Rating Area No.2 – 0.0414 cents in the dollar – estimated to produce revenue of \$49,000.

(This rate is estimated to produce \$90,000 for the purpose of paying Sewage Treatment and Reticulation Loan Charges).

d) Otorohanga Water Supply

A Targeted Loan Rate levied on the Capital Value of all rateable land within

the Community of Otorohanga on a differential basis as follows:

- i) Differential Rating Area No.1 – 0.0775 cents in the dollar – estimated to produce revenue of \$30,700.
- ii) Differential Rating Area No.2 – 0.0310 cents in the dollar – estimated to produce revenue of \$36,800.

(This rate is estimated to produce \$67,500 for the purpose of paying Water Supply Loan Charges).

e) Kawhia Water Supply

A Targeted Loan Rate of 0.0198 cents in the dollar on the Capital Value of all rateable land within the Community of Kawhia.

(This rate is estimated to produce \$17,300 for the purpose of paying Water Supply Loan Charges).

f) Arohena Rural Water Supply

A Targeted Loan Rate of 0.0282 cents in the dollar on the Capital Value of all rateable land within the Arohena Water Supply Area.

(This rate is estimated to produce \$20,000 for the purpose of paying Water Supply Loan Charges).

g) Aotea Erosion Protection

A Uniform Targeted Loan Rate of \$693 on each separate rating unit within the Aotea Community.

(This rate is estimated to produce \$22,900 for the purpose of paying Loan Charges).

6) Targeted Rates

a) Roothing

- i) A Targeted Rate of 0.1515 cents in the dollar levied on the Capital Value of all rateable land within the District of Otorohanga.
- ii) A Uniform Targeted Rate of \$156 on each separate rating unit within the District of Otorohanga.

(These rates are estimated to produce \$3,965,000 and this revenue will be used for Roothing).

b) Security Patrol

- i) A Targeted Rate of 0.1420 cents in the dollar on the Capital Value of all rateable land within the "Security

Patrol Area” (formerly Differential Rating Area No 1) in the Community of Otorohanga.

- ii) A Uniform Targeted Rate of \$337 on each separate rating unit within the “Security Patrol Area” (formerly Differential Rating Area No 1) in the Community of Otorohanga.

(This rate is estimated to produce \$78,750 for the purpose of funding a Security Patrol Service in a defined area of the Otorohanga Community.

c) Otorohanga CBD Development Rate

- i) A Targeted Rate of 0.0172 cents in the dollar on the Capital Value of all rateable properties within the Otorohanga Commercial Area (differential Rating Area No 1).
- ii) A Uniform Targeted Rate of \$61 on

each separate rating unit within the Otorohanga Commercial Area (Differential Rating Area No 1).

(This rate is estimated to produce \$16,900 for the purpose of funding services specific to the Otorohanga Commercial area.

d) Aotea Erosion Targeted Rate

- i) A Uniform Targeted Rate of \$64 on each separate rating unit within the Aotea Community.

(This rate is estimated to produce \$10,000 and this revenue will be used for the following purposes: maintenance costs relating to the Aotea Seawall).

e) District Halls

Targeted Hall rates as follows:

HALL SEPARATE RATING DISTRICT	RATE IN \$	RATING SYSTEM	UNIFORM ANNUAL CHARGE	EST. RATE LEVY \$
Arohena	0.0005	Capital Value	\$40	2,480
Kio Kio	0.0014	Capital Value	\$10	4,100
Tokanui Crossroads	-	Capital Value	\$4	520
Puketotara/ Ngutunui	0.0004	Capital Value	\$9	2,200
Wharepuhunga	0.0011	Capital Value	-	1,700
Maihihi	0.0026	Capital Value	-	2,000
Otewa	-	Capital Value	\$18	1,780
Rangiatea	-	Capital Value	\$20	1260
Whawharua	-	Capital Value	\$10	700
Honikiwi	0.0017	Capital Value	-	1,440

(These rates are estimated to produce \$17,680 for the purpose of maintenance, operation, renovation and extension of the respective Halls).

7) Targeted Refuse Rates

Otorohanga Community

A Uniform Targeted Rate for Refuse Collection and Disposal of \$115 in respect of each separately used or inhabited part of a rating unit in the Otorohanga Refuse Collection area.

(This rate is estimated to produce \$141,800 for the purpose of financing the Otorohanga Refuse Collection and Disposal costs).

Kawhia Community

- a) A Uniform Targeted Rate for Refuse

Collection and Disposal of \$190 in respect of each separately used or inhabited part of a rating unit in the Community of Kawhia.

(This rate is estimated to produce \$74,800 for the purpose of financing the Kawhia Community Refuse Collection and Disposal costs).

Aotea Township

A Uniform Targeted Rate for Refuse Collection and Disposal of \$118 in respect of each separately used or inhabited part of a rating unit in the township of Aotea.

(This rate is estimated to produce \$10,700 for the purpose of financing the Aotea Township Refuse Collection and Disposal costs).

8) Targeted Water Rates Otorohanga Community

- a) A Uniform Targeted Rate of \$223 on every separately used or inhabited part of a rating unit within the Community of Otorohanga which receives an ordinary supply of water from the Otorohanga Community Water Supply.
- b) A Uniform Targeted Rate of \$304 on every separately used or inhabited part of a rating unit located outside the Community of Otorohanga which receives an ordinary supply of water from the Otorohanga Community Water Supply.

(These rates are estimated to produce \$281,250 for the purpose of contributing to the costs of operating the Otorohanga Community Water Supply).

Kawhia Community

- c) A Uniform Targeted Rate of \$234 on every separately used or inhabited part of a rating unit, which receives an ordinary supply of water within the Community of Kawhia.

(This rate is estimated to produce \$93,300 for the purpose of contributing to the costs of operating the Kawhia Community Water Supply).

9) Targeted Sewerage Rates

A Uniform Targeted Rate of \$264 for the first water closet or urinal and \$0 for the second to fourth, \$50 for subsequent closets or urinals, on every separately used or inhabited part of a rating unit connected, either directly or through a private drain to the Otorohanga Community Sewerage Scheme.

(This rate is estimated to produce \$326,250 for the purpose of financing the costs of operating the Otorohanga Community Sewerage Scheme).

10) Targeted Rates for Extraordinary Water Supply

i) Otorohanga Community

- a) Each rateable separate rating unit within the Otorohanga Community on a metered supply to receive a free allowance of 220 cubic metres per annum with excess consumption charged at 64 cents per cubic metre.
- b) Each non-rateable separate rating unit within the Otorohanga Community to pay a charge of \$230 per annum and those on a metered supply 86 cents per cubic metre with a minimum charge of \$230 per annum.
- c) Each separate rating unit whether rateable or non-rateable outside the Otorohanga Community on a metered supply 86 cents per cubic metre with a minimum charge of \$304 per annum.
- d) In addition to the above charges each separate rating unit whether rateable or non-rateable receiving an extraordinary supply from the Otorohanga Community Water Supply \$115 per meter.

ii) Kawhia Community

- a) Each separate rating unit whether rateable or non-rateable in the Kawhia Community on a metered supply to receive a free allowance of 220 cubic metres per annum with excess consumption charged at \$1.14 cents per cubic metre.
- b) Each separate rating unit whether rateable or non-rateable outside the Kawhia Community on a metered supply - \$1.32 cents per cubic metre with a minimum charge of \$286 per annum.
- c) In addition to the above charges each separate rating unit whether rateable or non-rateable receiving an extraordinary supply from the Kawhia Community Water Supply \$115 per meter.

iii) Rural Water Supplies

- a) Each separate rating unit whether rateable or non-rateable within the Arohena Rural Water Supply Area on a metered supply – 35 cents per cubic metre plus an availability charge of \$425 per meter per annum.

- b) Each separate rating unit whether rateable or non-rateable within the Ranginui Rural Water Supply Area on a metered supply – 31.0 cents per cubic metre, plus an availability charge of \$1,000 per meter per annum.
- c) Each separate rating unit whether rateable or non-rateable within the Tihiroa Rural Water Supply area on a metered supply - 60.0 cents per cubic metre for consumption in excess of 100 cubic metres plus an availability charge of \$450 per meter per annum.
- d) Each separate rating unit whether rateable or non-rateable within the Waipa Rural Water Supply Area on a metered supply - 50.0 cents per cubic metre plus an availability charge of \$100 per meter per annum.

11) Instalments

The above rates and charges will be payable in two equal instalments due on 4 August 2006 and 5 January 2007 at the Council Office, Maniapoto Street, Otorohanga.

12) Additional Charges

- a) An additional charge of 10% will be added to all rates levied and due for the 2006/07 year that remain unpaid after 25 August 2006 and 26 January 2007.
- b) A further additional charge of 10% will be added to all rates that have been levied in any financial year previous to 1 July 2006 and which remain unpaid on 1 July 2006.
- c) A further additional charge of 10% will be added to all rates to which an additional charge has been added under 12(b) and which remain unpaid on 1 January 2007.

13) The valuation roll and rate records for the District are available for inspection at the Council Office, Maniapoto Street, Otorohanga during normal office hours.

14) The above rates and charges take effect from 1 July 2006 and are inclusive of Goods and Services Tax.

23.0 Funding Impact Statement

– For 10 Years Commencing 1 July 2006

	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
INCOME										
Rates Income										
General Rates & UAGC	2,326,887	2,469,655	2,572,691	2,606,143	2,576,931	2,961,913	2,869,376	3,281,152	2,955,108	3,486,305
Rural Targeted Rate	309,918	218,672	247,274	235,594	255,771	254,559	239,094	238,017	251,966	251,339
Otorohanga Community Targeted Rate	304,514	334,408	348,572	345,684	387,598	369,548	371,541	382,106	381,907	385,338
Kawhia Community Targeted Rate	71,492	79,264	74,140	73,787	77,196	86,328	76,370	78,538	77,687	77,403
Land Transport Targeted Rate	3,506,842	3,807,707	4,068,328	4,462,785	4,735,840	4,710,379	5,143,206	4,793,141	5,312,153	4,797,055
Refuse Collection Targeted Rate	201,434	206,226	207,651	210,305	216,080	216,506	219,025	221,080	223,362	225,100
Water Supply Targeted Rate	347,314	371,497	405,904	419,475	448,772	465,140	476,209	486,582	498,603	507,943
Water Supply Targeted Loan Rate	101,899	102,173	96,241	96,332	97,164	96,502	95,839	95,176	94,513	93,850
Sewerage Treatment Targeted Rate	290,000	298,990	307,980	316,100	323,930	331,470	338,430	344,520	350,320	355,830
Sewerage Treatment Targeted Loan Rate	80,000	80,000	70,000	70,000	60,000	60,000	55,000	50,000	50,000	50,000
Rural Halls Targeted Rate	19,100	19,100	19,100	19,100	19,100	19,100	19,100	19,100	19,100	19,100
Aotea Erosion Targeted Rate	8,900	8,900	8,900	8,900	8,900	8,900	8,900	8,900	8,900	8,900
Aotea Erosion Targeted Loan Rate	20,233	19,716	19,200	18,682	18,162	17,642	17,121	16,598	16,074	15,550
Security Patrol Targeted Rate	70,000	76,294	78,588	80,660	82,658	85,725	87,525	89,100	90,600	92,025
Total Rates Income	7,658,535	8,092,602	8,524,567	8,963,547	9,308,102	9,683,713	10,016,737	10,104,010	10,330,294	10,365,737
Other Operating Income										
Funding Assistance	2,864,050	3,020,194	3,187,940	3,086,010	3,391,610	3,629,120	3,760,586	3,742,611	3,780,460	4,061,992
User Fees and Charges	1,942,333	1,948,749	1,718,764	1,789,511	1,859,595	1,911,941	1,957,371	2,008,498	2,063,658	2,108,773
Interest on Investments	70,650	70,200	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Total Other Operating Income	4,877,033	5,039,143	4,976,704	4,945,521	5,321,205	5,611,061	5,787,957	5,821,109	5,914,118	6,240,765
Other Funding Sources										
Capital Income	662,000	294,444	204,975	30,000	50,000	40,572	30,000	50,000	40,604	30,000
Loan Income	331,313	486,618	-	-	-	-	-	-	-	-
Investment Loan Income	3,834	1,393	-	-	-	-	-	-	-	-
Reserve Transfers	33,500	20,000	40,000	(10,000)	-	-	-	-	-	-
Utilisation of Account Balances	(467,028)	(65,498)	171,278	(140,687)	(128,302)	(331,937)	(373,906)	(718,197)	(251,626)	(911,180)
Utilisation of Cash Surpluses	3,057,818	2,921,571	2,873,154	3,336,061	3,320,871	3,663,446	3,724,041	4,113,659	3,751,035	4,436,845
Total Other Funding Sources	3,621,437	3,658,529	3,289,407	3,215,374	3,242,569	3,372,080	3,380,135	3,445,461	3,540,013	3,555,664
TOTAL INCOME	16,157,005	16,790,274	16,790,678	17,124,442	17,871,875	18,666,854	19,184,829	19,370,580	19,784,425	20,162,167
EXPENDITURE										
Operating Expenditure										
Gross Operating Expenditure	8,144,961	8,367,621	8,572,412	8,714,107	8,779,675	8,966,037	8,941,646	9,106,514	9,193,660	9,243,632
Depreciation	2,969,421	3,030,204	3,213,055	3,264,732	3,323,060	3,486,545	3,505,172	3,550,499	3,677,994	3,704,250
Total Operating Income	11,114,382	11,397,825	11,785,467	11,978,839	12,102,735	12,452,582	12,446,818	12,657,013	12,871,654	12,947,881
Other Expenditure										
Loan Repayments	15,754	17,121	397,183	992,332	1,035,420	1,160,679	1,460,296	1,825,779	1,454,869	2,097,947
Capital Expenditure	5,122,000	5,479,459	4,737,387	4,282,629	4,864,211	5,208,630	5,432,752	5,042,826	5,636,487	5,294,924
Total Other Income	5,137,754	5,496,580	5,134,570	5,274,961	5,899,631	6,369,309	6,893,048	6,868,605	7,091,356	7,392,871
Less Depreciation not Funded	95,131	104,131	129,358	129,358	130,491	155,038	155,038	155,038	178,585	178,585
TOTAL EXPENDITURE	16,157,005	16,790,274	16,790,678	17,124,442	17,871,875	18,666,853	19,184,829	19,370,580	19,784,425	20,162,167

24.0 Examples of contribution to Council Services – 2006/07 Year

Property Value		\$120,000	\$150,000	\$150,000	\$300,000	\$100,000	\$200,000	\$500,000	\$1,500,000	\$3,000,000
ACTIVITY	Note	1	2	3	4	5	6	7	8	9
Democratic Process		104	109	109	131	101	116	161	309	532
Council Grants		6	7	7	14	5	9	23	70	140
Corporate Planning		20	21	21	25	20	22	31	60	103
District Promotion		28	29	29	33	28	31	39	67	110
Planning and Development		19	23	23	41	17	29	66	189	374
Civil Defence		10	10	10	10	10	10	10	10	10
Building Control		8	10	10	19	6	13	32	97	193
Environmental Health		15	16	16	19	15	17	23	44	76
Dog Control		3	3	3	3	3	3	3	3	3
Ranging and Impounding		0	0	0	0	0	0	0	0	0
Litter Control		8	8	8	9	8	9	10	17	26
Sport Waikato		9	9	9	12	8	10	17	38	69
Roading		336	381	381	607	306	456	908	2,415	4,676
Reserves		44	49	49	77	40	58	114	298	575
Library		31	33	33	42	30	36	53	112	201
Cemeteries		2	3	3	6	2	4	9	28	57
TOPs Training										
Property										
Democratic process (Community Board)		62	67	111	183	50	67	0	0	0
Sewer Loan		50	62	155	310	0	0	0	0	0
Water Loan		37	47	116	233	19	38	0	0	0
Oto Water Supply - CV		1	1	1	3	1	2	5	14	27
Oto Sewerage - CV		1	1	1	2	1	2	4	12	24
Kawhia Water Supply - CV		0	0	0	1	0	1	1	4	8
Pool		139	139	139	139	14	14	67	67	67
Stormwater/Land Drainage		35	43	108	216	26	52	13	38	76
Refuse		117	117	117	117	192	192	38	41	44
Wharf		3	3	3	4	7	8	5	9	16
Property		0	0	0	(0)	10	14	14	23	38
Community Centre/Halls		0	0	0	0	26	26	0	1	2
Rural Fire Control		0	0	0	0	0	0	10	31	61
Security Patrol		8	8	557	770	0	0	0	0	0
CBD Development		0	0	86	112	0	0	0	0	0
Movement in Funds		9	8	(4)	(21)	2	4	16	34	61
(Movement in accumulated account balances)										
Uniform Water Charge		223	223	223	223	234	234	0	0	0
Uniform Sewerage Charge		264	264	264	264	0	0	0	0	0
TOTAL		\$1,590	\$1,694	\$2,589	\$3,604	\$1,179	\$1,474	\$1,673	\$4,031	\$7,568
2005/06 Rates		\$1,543	\$1,651	\$2,583	\$3,681	\$1,083	\$1,347	\$1,503	\$3,659	\$6,893

1. Residential Property Otorohanga Community Rateable Capital Value of \$120,000.
2. Residential Property Otorohanga Community Rateable Capital Value of \$150,000.
3. Commercial/ Industrial Property Otorohanga Community Rateable Capital Value of \$150,000.
4. Commercial/ Industrial Property Otorohanga Community Rateable Capital Value of \$300,000.
5. Kawhia Community Property Rateable Capital Value \$100,000.
6. Kawhia Community Property Rateable Capital Value \$200,000.
7. Rural Property Rateable Capital Value \$500,000.
8. Rural Property Rateable Capital Value \$1,500,000.
9. Rural Property Rateable Capital Value \$3,000,000.

25.0 Revenue and Financial Policy

25.1 General

The Local Government Act 2002 requires that Council manage its revenues, expenses, and other financial responsibilities in a prudent manner and in a way that promotes the current and future interests of the District.

Council will comply with all statutory requirements and under its financial management responsibilities in accordance with generally accepted accounting practice.

Rating Basis

Council will use a capital value rating system across the District.

Funding Needs

Council's funding needs will be met from those funding sources that Council deems appropriate for each activity, having regard to:

- The community outcomes to which the activity primarily contributes;
- The distribution of benefits between the District, parts of the District and individuals;
- The period over which the benefits are expected to occur;
- The extent to which the action or inaction of individuals or groups contribute to the need to undertake the activity;
- The costs and benefits of funding an activity in a distinctly different manner than other activities; and
- The overall impact of any funding allocation on the current and future well being of the District.

In order to minimise the revenue from general rates, Council will, wherever appropriate, take the opportunity to maximise funding from user charges, subsidies and other external funding sources.

To ensure that the most appropriate method of funding activities and services is identified, Council will proceed in accordance with the following:

- a) What services and levels of services should be provided
- b) How those activities and services

achieve community outcomes

- c) The costs of the services
- d) Who benefits from these services and over what period
- e) Who should fund the services – beneficiaries/ exacerbators
- f) What funding sources are available and appropriate
- g) How best to fund those services so as to promote community well-being

Council's Funding Policy sets out the costs of services, the beneficiaries of those services, the available funding sources, how best to fund the services and the actual methods of funding.

The rationale supporting these funding decisions is provided later in this section.

The proposed funding methods, while summarised in tables 25.1.1 and 25.2.1 in this section.

Funding Rationale

Funding of Expenses

The Council sets its long-term revenue to fund its ongoing operation and asset maintenance programme as outlined within this plan. The sources used depend on Council's analysis of individual services and are outlined in the table below.

Table 25.1.1

Table 25.1.1 outlines the funding mechanism used for individual services. These mechanisms fall under four headings: General Rates, Targeted Rates, Subsidies and Fees and Charges.

Basis for selection of mechanisms to fund operating expenses:

Fees and Charges are used for services where there is a benefit to an individual. If it is possible to efficiently impose a charge, the Council does so on the basis of either recovering the full cost of the service, the marginal cost added by users, or a rate that the market will pay.

The market rate becomes an issue to limit the potential for charging. It applies in circumstances where the Council believes that a charge set too high will reduce use and therefore diminish the value of the facility to the community, and impose a greater cost on the ratepayers.

In selecting market rate the Council has made a judgement that the community values the existence of the facility and would rather it be funded from rates than for it to close.

General Rates are used to fund those services where Council believes there is a public benefit even though it may not be to the whole community. It typically funds "public goods" for which there is no

practical method for charging individual users as the benefit is wider than just specific users.

Targeted Rates are also used to fund community benefits and wider public goods.

Targeted Rates for water reflect the different levels of service and areas of benefit for individual schemes, and also attempt to provide equity between large volume users and smaller volume users. A uniform charge is used for many of the schemes due to the efficiency of the charge and the high cost and marginal benefit of universal metering.

Grants and Subsidies are used where they are available.

Table 25.1.1

SIGNIFICANT ACTIVITIES	GENERAL RATES	TARGETED RATES	SUBSIDIES	FEES & CHARGES
Roads	✓		✓	✓
Refuse Collection		✓		✓
Transfer Station Management		✓		
Rural Water Supply Schemes		✓		✓
Community Water Schemes	✓	✓		✓
Wastewater	✓	✓		✓
Flood Protection				✓
Stormwater		✓		✓
Land Drainage	✓			
Reserves (incl Public Conveniences)	✓			✓
Library	✓			✓
Swimming Pools		✓		
Cemeteries	✓			✓
Security Patrol		✓		✓
District Sports Co-ordinator	✓			
Kawhia Wharf	✓			✓
Public Halls		✓		✓
Planning & Development	✓			✓
Building Control	✓			✓
Civil Defence	✓		✓	✓
Dog Control	✓			✓
Stock Ranging & Impounding	✓			✓
Environmental Health	✓			✓
Democratic Process	✓	✓		
Housing for the Elderly				✓
Council Property		✓		✓
Litter Control	✓			✓
Rural Fire		✓		
District Promotion & Development	✓			
Council Grants	✓			
Corporate Planning	✓			

25.2 Capital Expenditure

The Council policies and practices as regards the funding of its capital expenditure are set to ensure that it complies with applicable legislation and generally accepted accounting practice.

In general terms it will use a mix of funding sources to meet capital expenditure, with major sources being

general rates, borrowings, reserves (particularly Depreciation/Decline in Service Potential reserves) and funding assistance such as grants and subsidies.

However funding from targeted rates is applied to specific activities.

The following sources of funding are applied to the Council's activities.

Table 25.2.1

SIGNIFICANT ACTIVITIES	GENERAL RATES	TARGETED RATES	BORROWINGS	RESERVES	FUNDING ASSISTANCE
Roads			✓	✓	✓
Transfer Station Management			✓		
Rural Water Supply Schemes				✓	
Community Water Schemes			✓	✓	
Wastewater			✓	✓	
Stormwater			✓	✓	
Reserves (incl Public Conveniences)	✓			✓	
Library				✓	
Swimming Pools			✓	✓	
Cemeteries	✓			✓	
Housing for the Elderly				✓	
Council Property	✓		✓	✓	
Rural Fire	✓			✓	

25.3 Funding Needs

The funding needs of the Council are met from those sources that the Council has determined to be appropriate following consideration of:

- The community outcomes to which each of its activities primarily contributes;
- The distribution of benefits between the community as a whole, any identifiable part of the community, and individuals;
- The period in or over which those benefits are expected to occur;
- The extent to which the actions or inactions of particular individuals or groups contribute to the need to undertake the activity;
- The costs and benefits, including

- consequences for transparency and accountability, of funding the activity distinctly from other activities; and
- The overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.

The resulting mix of general and targeted rates, user charges and other funding sources is covered in the sections above relating to Operating and Capital Expenditure and the section on The Rating System following.

The actual amounts which result from the application of these various policies and practices are shown elsewhere in this document under the significant activity pages.

Council will review the current revenue and financing policy in conjunction with the LTCCP, which is required to be in place by 1 July 2006.

Any such changes to the policy will be in accordance with the consultative

requirements detailed in Section 82 of the Act.

These principles require focused information sharing with, and consideration of the views of the community of interest.

25.4 The Rating System – Rating Policies Systems and Indicative Rates

Introduction

Various sections of the Local Government (Rating) Act 2002 require the Council to include a statement of the following matters in its Annual Plan or LTCCP. These include:

- The basis of setting the general rate i.e. land, annual or capital value (Section 13);
- Any category or categories that will be used for differentiating the general rate (Section 14);
- The function or functions for which a targeted rate will be set (Section 16);
- Any category or categories of land that will be used to set a targeted rate on a differential basis or determine whether a property will be liable for a targeted rate (Section 16);
- Any factor or factors that will be used to calculate liability for a targeted rate (Section 18);
- An indication that the Council wishes to set charges for water supply by volume of water consumed if the Council is intending to do so (Section 19); and
- Summaries of any remissions policy, postponement policy and rates relief policy for Māori land that are in effect (Local Government Act 2002, Section 108)

This rating policy summary should be read in conjunction with the summary of the Council's revenue and financing policy.

Important

At various points of this policy summary a level of rate or charge is specified. These are indicative figures included to give ratepayers an estimate of what their level of rates is likely to be in the year covered by this LTCCP (2006/07 to 2015/16).

These figures may not be the actual level of rates that will be assessed in that year, and the actual figure will not be known until the Council's LTCCP is adopted by the end of June.

All figures in this policy summary are GST inclusive and are shown in the section entitled "Overall Rating Levels".

Differential Matters and Categories

The Council proposes to differentiate the Otorohanga Community targeted rate based on land use (Schedule 2 Local Government (Rating) Act 2002).

The differential categories are:

Group 1 Commercial/Industrial – all rating units that are used primarily for any commercial or industrial purpose.

Group 2 Residential – all rating units with a land area of 1 hectare or less, not being rating units in Group 1, used for residential and related purposes.

Water Supply (Non Metered and Metered)

The Council proposes to set a targeted rate for water supply on the basis of a uniform targeted rate per separately used or inhabited part of a rating unit connected to one of the Urban Water Supply Areas of Otorohanga or Kawhia.

The Council proposes to set a targeted rate for water supply based on the volume of water supplied per separately used or inhabited part of a rating unit which are metered and connected to one of the Urban Water Supply Areas of Otorohanga or Kawhia and Rural Water Supply areas of Arohena, Ranginui, Tihiroa or Waipa.

Sewage Disposal

The Council proposes to set a targeted rate for sewage disposal in the Otorohanga Community based on a uniform targeted rate per separately used or inhabited part of a rating unit in respect of each water closet or urinal connected either directly or through a private drain to a public sewerage drain provide that:

- a) Every separately used or inhabited part of a rating unit used exclusively or principally as the residence of not more than one household shall be deemed to have not more than one water closet or urinal.
- b) Where a separately used or inhabited part of a rating unit, not being used as a residential property as in (a) above, has three or more water closets or urinals, the first shall be charged at 100% of the targeted rate per water closet or urinal and the second to fourth shall be charged at 0% of the targeted rate per water closet or urinal and the remainder shall be charged at \$50 per water closet or urinal.

Rating units, which are neither connected to the sewerage system or are not serviceable, are not liable for this rate.

26.0 Rates Policy

Introduction

Council operates three financial divisions to facilitate the operation of Council and the collection of rates. The financial divisions recognise the three areas of the District with Community boards (Otorohanga Community and Kawhia Community) and the Rural area.

The existence of financial divisions ensures that activities not benefiting the whole of the District or impacting areas of the District differently are considered in an appropriate forum and that identifiable areas of benefit pay for the benefit received. Activities that are considered to benefit all areas of the District are included in the District wide rate and/or UAGC and are not allocated to the three financial divisions.

The rates received within each financial division are generally spent in that area. The Community rating areas are under the control of a Community Board.

Rates levied on the value of properties vs Uniform Annual General Charge (UAGC)/Uniform Targeted Rate.

A number of Council activities are people related in that the benefits of those activities are equally available to all residents of the District. However as Council does not have the ability to rate individuals it considers that the activities are therefore equally available to each property. In these circumstances it is considered appropriate to have each property pay the same amount for the benefit received or available to them. This can be achieved through Uniform Annual General Charges or Uniform Targeted Rates.

Other Council activities are generally property related with the extent of benefit, or potential benefit directly relating to the size and corresponding value of the property. In these circumstances it is appropriate for Council to levy rates based on the value of properties.

The levying of rates on the value of

properties or Uniform Targeted Rates can be considered as two starting points between which a number of factors can be accommodated by way of using a combination of rates levied on the Value of properties and Uniform Annual General Charges/ Uniform Targeted Rates.

Factors that should be taken into account when considering a combination of rates levied on the value of property and Uniform Annual General Charges/ Uniform Targeted Rates are:

- ***Should all properties make a reasonable contribution to the cost of the activity?***
If so, then there should be some degree of Uniform Annual General Charge /Uniform Targeted Rate.
- ***Should those who have a greater ability to pay, pay more towards the cost of the activity?***
If so, then a significant amount of the rate should be levied on the value of properties.
- ***Is it desirable for the Community to encourage the use of a service or facilities by those who may not otherwise be able to afford it?***
If so, then a significant amount of the rate should be levied on the value of properties.
- ***Should a property with a larger number of occupants pay more than a property with fewer occupants?***
If so, then a significant amount of the rates should be levied on the value of properties.
- ***Is there both benefit to people and to property?***
If so, then some of the rate should be levied by Uniform Annual General Charge/Uniform Targeted Rate to recognise the benefit to people and some of the rate should be levied on property value, to recognise the benefit to property.

27.0 Proposed Rates Levies and Funding Mix

Otorohanga District

27.1 Otorohanga District

		2005/2006		2006/2007		2006/2007	2007/2008	2008/2009	2009/2010	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
		Factor (Capital Value x1000)	Rate \$	Factor (Capital Value x1000)	Rate \$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
General Rate															
Otorohanga Rural	Capital Value	1,958,198.6	0.0706	1,391,042	0.0783	1,549,246	1,638,339	1,694,230	1,703,033	1,654,128	1,897,680	1,856,227	2,111,536	1,890,070	2,249,735
Otorohanga Community	Capital Value	154,142.5	0.0706	109,892	0.0783	123,969	131,098	135,570	136,275	132,361	151,850	148,533	168,963	151,241	180,021
Kawhia Community	Capital Value	86,156.5	0.0706	61,134	0.0783	68,528	72,469	74,941	75,331	73,167	83,940	82,107	93,400	83,604	99,513
		2,198,497.6	0.0706	1,562,068	0.0783	1,741,743	1,841,906	1,904,742	1,914,638	1,859,657	2,133,470	2,086,867	2,373,898	2,124,915	2,529,269
Uniform Annual General Charge															
Otorohanga Rural	per Property	2,054.0	\$208	441,376	\$221	478,332	513,052	543,467	559,296	571,738	663,257	630,369	731,566	663,745	774,974
Otorohanga Community	per Property	1,206.0	\$208	250,432	\$221	266,796	286,162	303,126	311,955	318,895	369,940	351,597	408,041	370,212	432,252
Kawhia Community	per Property	445.0	\$208	92,768	\$221	98,805	105,977	112,260	115,529	118,099	137,004	130,210	151,114	137,104	160,080
		3,705.0	\$208	784,576	\$221	843,934	905,191	958,853	986,780	1,008,732	1,170,200	1,112,176	1,290,721	1,171,061	1,367,307
Separate Rooding Rate															
Otorohanga Rural	Capital Value	1,958,198.6	0.1415	2,788,000	0.1515	2,997,788	3,254,980	3,477,768	3,814,966	4,048,384	4,026,619	4,396,617	4,097,368	4,541,039	4,100,713
Otorohanga Community	Capital Value	154,142.5	0.1415	220,252	0.1515	239,879	260,460	278,287	305,269	323,947	322,205	351,812	327,867	363,369	328,134
Kawhia Community	Capital Value	86,156.5	0.1415	122,528	0.1515	132,602	143,978	153,833	168,748	179,073	178,110	194,476	181,240	200,865	181,388
		2,198,497.6	0.1415	3,130,780	0.1515	3,370,269	3,659,417	3,909,888	4,288,983	4,551,404	4,526,935	4,942,906	4,606,474	5,105,273	4,610,235
Separate Rooding Uniform Annual Charge															
Otorohanga Rural	per Property	2,053.0	\$151	313,923	\$156	337,167	366,094	391,151	429,077	455,330	452,882	494,496	460,839	510,740	461,215
Otorohanga Community	per Property	1,206.0	\$151	178,192	\$156	187,973	204,099	218,069	239,213	253,849	252,484	275,684	256,920	284,740	257,130
Kawhia Community	per Property	445.0	\$151	66,008	\$156	69,614	75,586	80,760	88,590	94,010	93,505	102,097	95,148	105,451	95,225
		3,704.0	\$151	558,123	\$156	594,753	645,780	689,980	756,879	803,189	798,871	872,277	812,907	900,930	813,571
Total Rate Levy District Wide			\$6,035,547			\$6,550,699	\$7,052,294	\$7,463,463	\$7,947,280	\$8,222,982	\$8,629,476	\$9,014,226	\$9,084,000	\$9,302,180	\$9,320,381
Rate Increase			7.4%			8.5%	7.7%	5.8%	6.5%	3.5%	4.9%	4.5%	0.8%	2.4%	0.2%

27.2 Otorohanga Rural

		2005/2006		2006/2007		2007/2008	2008/2009	2009/2010	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
		Factor (Capital Value x1000)	Rate \$	Factor (Capital Value x1000)	Rate \$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Rural Separate Rate	Capital Value	1,945,519.1	0.0035	1,966,728.1	0.0057	112,888	21,559	48,038	47,027	59,307	46,031	44,789	48,040	45,861
Rural Uniform Separate Charge	per Property	2,040.0	\$69	2,149.0	\$110	236,392	224,553	217,206	241,031	227,379	223,171	223,195	235,715	237,186
						349,280	246,112	278,450	265,244	288,057	269,202	267,964	283,756	283,047
Water Supply Rates														
Arohena RWS Loan	Capital Value	70,713.5	0.0266	70,825.0	0.0282	19,966	21,876	21,190	22,234	21,484	20,735	19,985	19,236	18,487
Tihiroa RWS Loan	Capital Value	11,689.0	0.0967	11,689.0	0.0555	6,490	0	0	0	0	0	0	0	0
Waipa RWS Loan	Capital Value	15,288.0	0.1405	15,288.0	0.1368	20,917	20,154	0	0	0	0	0	0	0
Refuse Rate														
Separate Uniform Refuse Rate	per Property	91.0	\$100	92.0	\$118	10,741	12,222	12,573	12,324	12,629	12,923	13,195	13,432	13,873
Aotea Erosion Protection Rate														
Aotea Erosion Separate Rate	per Property	106.0	\$64	157.0	\$64	10,063	10,063	10,063	10,063	10,063	10,063	10,063	10,063	10,063
Aotea Erosion Loan Rate	per Property	34.0	\$714	33.0	\$693	22,876	22,292	21,708	21,123	20,535	19,948	19,358	18,767	17,581
Halls														
Arohena Hall	Capital Value	103,644.0	0.0005	103,845.5	0.0005	519	519	519	519	519	519	519	519	519
Arohena Hall	per Property	49.0	\$40	49.0	\$40	1,960	1,960	1,960	1,960	1,960	1,960	1,960	1,960	1,960
Kio Kio Hall	Capital Value	170,474.8	0.0014	172,280.8	0.0014	2,412	2,412	2,412	2,412	2,412	2,412	2,412	2,412	2,412
Kio Kio Hall	per Property	161.0	\$20	167.0	\$10	1,670	1,670	1,670	1,670	1,670	1,670	1,670	1,670	1,670
Crossroads Hall	per Property	126.0	\$4	130.0	\$4	520	520	520	520	520	520	520	520	520
Puketotara/Ngutuunui Hall	Capital Value	139,171.3	0.0003	141,334.3	0.0004	565	565	565	565	565	565	565	565	565
Puketotara/Ngutuunui Hall	per Property	177.0	\$7	183.0	\$9	1,647	1,647	1,647	1,647	1,647	1,647	1,647	1,647	1,647
Wharepungunga Hall	Capital Value	154,238.5	0.0011	154,568.5	0.0011	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Maihihi Hall	Capital Value	75,569.6	0.0026	76,050.6	0.0026	1,977	1,977	1,977	1,977	1,977	1,977	1,977	1,977	1,977
Honikiwi Hall	Capital Value	86,415.2	0.0017	84,538.2	0.0017	1,437	1,437	1,437	1,437	1,437	1,437	1,437	1,437	1,437
Otewa Hall	per Property	99.0	\$18	99.0	\$18	1,782	1,782	1,782	1,782	1,782	1,782	1,782	1,782	1,782
Rangiatea Hall	per Property	49.0	\$20	63.0	\$20	1,260	1,260	1,260	1,260	1,260	1,260	1,260	1,260	1,260
Whawharua Hall	per Property	70.0	\$10	71.0	\$10	710	710	710	710	710	710	710	710	710
District Wide	Various					5,362,533	5,772,465	6,106,617	6,506,371	6,729,580	7,040,438	7,377,709	7,605,594	7,586,637
Total Rate Levy Otorohanga Rural			\$5,262,277		\$5,821,026	\$6,123,344	\$6,468,762	\$6,854,577	\$7,101,259	\$7,409,702	\$7,728,422	\$7,749,700	\$7,968,641	\$7,947,848
Rate Increase			8.1%		10.6%	5.2%	5.6%	6.0%	3.6%	4.3%	4.3%	0.3%	2.8%	-0.3%

27.3 Otorohanga Community

		2005/2006			2006/2007			2007/2008	2008/2009	2009/2010	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16									
		Factor (Capital Value x1000)	Rate \$	\$	Factor (Capital Value x1000)	Rate \$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$									
Separate Otorohanga Community Rate																									
	Differential Rating Area No 1	Capital Value	\$48,394.4	0.1710	83,080	\$49,156.9	0.1013	49,779	61,137	64,021	68,632	76,737	76,187	76,169	78,515	77,277	77,036								
	Differential Rating Area No 2	Capital Value	\$115,316.1	0.0684	79,755	\$118,752.9	0.0405	48,102	59,078	61,865	66,320	74,152	73,621	73,603	75,871	74,674	74,441								
		\$163,710.5		162,835	\$167,909.8		97,881	120,215	125,886	134,951	150,888	149,807	149,772	154,386	151,951	151,477									
Separate Otorohanga Community Uniform Annual Charge																									
Uniform Annual General Charge	per property	1,206	\$221	266,084	1,207	\$198	239,044	250,340	260,604	248,289	279,505	260,281	262,557	269,829	272,041	276,374									
Sewerage Loan Special Rate																									
Differential Rating Area No 1	Capital Value	\$38,826.4	0.1126	43,935	\$39,633.4	0.1035	41,013	41,013	35,887	35,887	30,760	30,760	28,197	25,633	25,633	25,633									
Differential Rating Area No 2	Capital Value	\$115,316.1	0.0450	52,285	\$118,346.9	0.0414	48,987	48,987	42,863	42,863	36,740	36,740	33,678	30,617	30,617	30,617									
		\$154,142.5		96,220	\$157,980.3		90,000	90,000	78,750	78,750	67,500	67,500	61,875	56,250	56,250	56,250									
Water Loan Special Rate																									
Differential Rating Area No 1	Capital Value	\$38,826.4	0.0795	31,020	\$39,633.4	0.0775	30,718	33,278	39,678	39,678	39,678	39,678	39,678	39,678	39,678	39,678									
Differential Rating Area No 2	Capital Value	\$115,316.1	0.0318	36,948	\$118,641.9	0.0310	36,782	39,847	47,510	47,510	47,510	47,510	47,510	47,510	47,510	47,510									
		\$154,142.5		67,968	\$158,275.3		67,500	73,125	87,188	87,188	87,188	87,188	87,188	87,188	87,188	87,188									
Refuse Rate																									
Separate Uniform Refuse Rate	Per Unit	1,236	\$110	135,740	1,238	\$115	141,843	141,208	143,678	145,446	147,095	149,053	150,402	151,449	152,795	153,634									
Water Supply Rates																									
Separate Water Rate	Per Connection	1,250	\$192	238,848	1,249	\$223	278,821	290,532	314,332	325,931	356,389	367,431	377,858	387,673	396,567	405,462									
Outer Area Water Rate	Per Connection	9	\$261	2,088	8	\$304	2,429	2,531	2,738	2,839	3,104	3,201	3,292	3,377	3,454	3,532									
				240,936			281,250	293,063	317,070	328,770	359,494	370,631	381,150	391,050	400,022	408,994									
Sewerage Rate																									
Separate Sewerage Rate	Per Connection	1,237	\$236	292,202	1,237	\$264	326,250	336,364	346,478	355,613	364,421	372,904	380,734	387,585	394,110	400,309									
				292,202			326,250	336,364	346,478	355,613	364,421	372,904	380,734	387,585	394,110	400,309									
Security Patrol																									
Separate Security Patrol Rate	Capital Value	\$27,634.8	0.1262	34,568	\$27,736.8	0.1420	39,375	42,915	44,206	45,371	46,495	48,220	49,233	50,119	50,963	51,764									
Separate Uniform Annual Charge	per property	117	\$298	34,840	117	\$337	39,375	42,915	44,206	45,371	46,495	48,220	49,233	50,119	50,963	51,764									
				69,408			78,750	85,831	88,412	90,743	92,990	96,441	98,466	100,238	101,925	103,528									
CBD Development Rate																									
Separate CBD Rate	Capital Value	\$27,634.8	0.0305	14,820	\$49,156.9	0.0172	8,438	8,699	8,961	9,197	9,425	9,644	9,847	10,024	10,193	10,353									
Separate CBD Uniform Annual Charge	per property	117	\$72	9,936	139	\$61	8,438	8,699	8,961	9,197	9,425	9,644	9,847	10,024	10,193	10,353									
				24,756			16,875	17,398	17,921	18,394	18,849	19,288	19,693	20,048	20,385	20,706									
District Wide Rates	Various			758,768			818,617	881,819	935,052	992,711	1,029,052	1,096,480	1,127,626	1,161,790	1,169,563	1,197,538									
Total Rate Levy Otorohanga Community			\$	2,114,917		\$	2,158,010	\$	2,289,361	\$	2,401,037	\$	2,480,854	\$	2,596,983	\$	2,669,571	\$	2,719,462	\$	2,779,811	\$	2,806,228	\$	2,855,997
Rate Increase				2.5%			2.0%		6.1%		4.9%		3.3%		4.7%		2.8%		1.9%		2.2%		1.0%		1.8%

27.4 Kawhia Community

		2005/2006		2006/2007		2006/2007	2007/2008	2008/2009	2009/2010	2010/11	2011/12	2012/13	2013/14	2014/5	2015/16	
		Factor (Capital Value x1000)	Rate \$	Factor (Capital Value x1000)	Rate \$		\$	\$	\$	\$	\$	\$	\$	\$	\$	
Separate Kawhia Community Rate	Capital Value	89268.0	0.0324	29,055	90665.0	0.0461	41,770	48,606	42,344	42,188	43,457	52,424	42,449	43,463	42,511	42,098
Separate Kawhia Community Uniform Annual Charge	per property	448.0	\$55	24,695	450.0	\$85	38,335	40,330	40,769	40,525	43,129	44,540	43,200	44,648	44,634	44,723
				53,750			80,105	88,936	83,113	82,713	86,586	96,964	85,648	88,111	87,144	86,822
Separate Water Rate - Debt Servicing		86156.5	0.0201	17,406	87553.5	0.0198	17,308	19,415	24,270	23,585	22,901	22,216	21,531	20,846	20,162	19,477
Separate Water Rate-Connected Properties	per Connection	398	\$220	87,560	398	\$234	93,277	106,717	116,711	120,999	123,942	131,978	134,616	137,088	142,370	144,606
				87,560			93,277	106,717	116,711	120,999	123,942	131,978	134,616	137,088	142,370	144,606
Separate Uniform Refuse Rate	per unit	393	\$187	73,678	394	\$190	74,832	79,430	78,201	79,682	84,271	82,482	83,709	84,748	85,755	86,666
District Wide Rates	Various			342,438			369,549	398,010	421,793	448,198	464,350	492,559	508,890	520,901	527,023	536,206
Total Rate Levy Kawhia Community			\$574,832		\$635,070		\$692,508	\$724,089	\$755,178	\$782,050	\$826,199	\$834,395	\$851,695	\$862,454	\$873,776	
Rate Increase			6.8%		10.5%		9.0%	4.6%	4.3%	3.6%	5.6%	1.0%	2.1%	1.3%	1.3%	

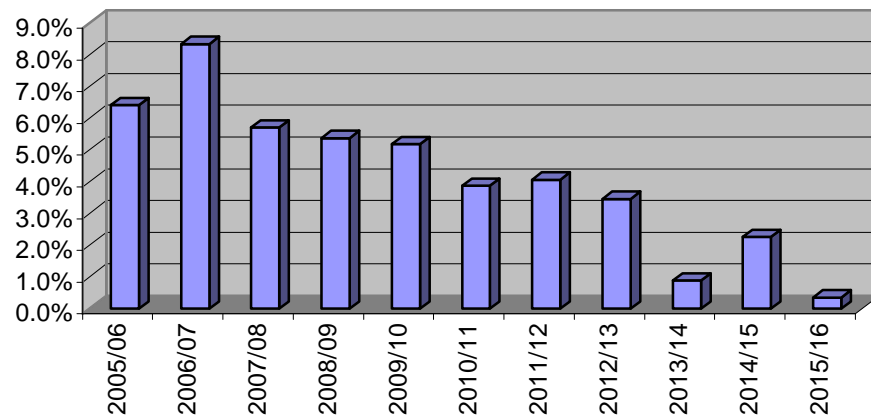
27.5 Combined Summary

	Rating Areas Otorohanga Rural	Otorohanga Community	Kawhia Community	Total
Rate Levies 2006	5,262,277	2,114,917	574,832	7,952,026
Proposed Rate Levies 2007	5,821,026	2,158,010	635,070	8,614,106
Total Estimated Increase	\$ 558,749	\$ 43,093	\$ 60,238	\$ 662,079
% Rate Increase	10.6%	2.0%	10.5%	8.3%
Rateable Capital Values	\$ 1,966,728,100	\$ 167,909,800	\$ 90,665,000	\$ 2,225,302,900

27.6 Combined Otorohanga District Summary

	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/15	2015/16
Total Rates - ODC	7,952,026	8,614,106	9,105,214	9,593,888	10,090,609	10,480,292	10,905,473	11,282,279	11,381,206	11,637,324	11,677,621
Total Estimated Increase	\$ 547,629	\$ 662,079	\$ 491,109	\$ 488,673	\$ 496,721	\$ 389,683	\$ 425,181	\$ 376,807	\$ 98,927	\$ 256,118	\$ 40,298
% Rate Increase	6.4%	8.3%	5.7%	5.4%	5.2%	3.9%	4.1%	3.5%	0.9%	2.3%	0.3%

Forecast Rate Increases - 2005/06-2015/16



28.0 Rate Remission Policy

This policy is prepared pursuant to Section 85 of the Local Government (Rating) Act 2002.

The Council can remit all or part of rates if a Remission policy has been adopted and notice to the ratepayers is given.

The policy includes:

- The objectives sought to be achieved by remission of rates; and
- Conditions and criteria to be met in order for rates to be remitted.

The policy may be amended or revoked by using the Special Consultative Procedure.

For the purposes of Rate Remissions Rates includes penalties payable on unpaid rates.

Policy

Penalties

Objective

The objective is to provide a fair and equitable mechanism for remission of penalties on rates where circumstances are reasonable to do so.

Conditions and Criteria

This part of the policy relates to penalties on unpaid current rates and unpaid arrears of rates.

All applications for remission of penalty are to be in writing and considered at a meeting of the Council:

UNLESS:

- (i) The payment is clearly postmarked before penalty date.
- (ii) The rates are paid in equal instalments between 1 August and 31 March of the rating year.
- (iii) An error has been made by the Council.

(iv) The Chief Executive and/or Finance and Administration Manager be authorised to remit penalty where:

- a) There has been a death, illness or injury (requiring hospitalisation) which has resulted in late payment.
- b) It is established that the ratepayer does not have a record of late payment during the previous 6 years and pays the rates in full in the 2 weeks following penalty date.
- c) Where it is considered the circumstances are appropriate and the penalty is less than \$100.
- d) There is a long term rate arrears problem and the remission of the penalty will assist to resolve the problem.

Remission of Uniform Charges

Objective

To provide relief from uniform charges for properties that are used as a single property.

Policy

Where any two or more rating units are used jointly as a single property and contiguous they shall be deemed to be only one property for the purposes of Uniform Annual General Charges and Uniform Annual Roadway Charges.

Where a property is only partly in the District and the Residence is in or access to the property is from the neighbouring District the property shall be exempt from Uniform Annual General Charges and Uniform Annual Roadway Charges.

28.1 Policy on Remission and Postponement of Rates on Māori Freehold Land

This policy is in accordance with S108 of the local Government Act 2002.

Remission

Objective

To recognise that some land in multiple Māori ownership is unimproved and unoccupied and is returning no benefit or creating any demand on Council services.

Policy

Where Māori Land has the following features the Council may remit all rates:

- The land is unoccupied; and

- The land is producing no income; and
- The land is in multiple ownership.

Postponement

Objective

To recognise that some land in multiple Māori ownership is unimproved and the owners or trustees may wish to develop the land.

Policy

The Council will consider applications from the owners or trustees on a case-by-case basis.

29.0 Treasury Management Policy

Introduction

Otorohanga District Council ("Council") undertakes borrowing and investment activities, referred to in this document as "treasury activity". Council's treasury activities are carried out within the requirements of the Local Government Act 2002.

In particular Sections 104 and 105 of the Act outline the requirements of the underlying Liability Management Policy and Investment Policy.

This treasury policy document provides the policy framework for all of Council's treasury activities, defines key responsibilities and the operating parameters within which borrowing and investment activity is to be carried out.

The Treasury Management Policy allows Council to manage its, investment and borrowing requirements in a co-ordinated manner. Together these funds form one pool from which Council can manage its treasury requirements.

Council now has the flexibility to finance the capital expenditure or short term operating deficit for one activity from surpluses.

By establishing an internal borrowing and investment portfolio Council is able to ensure that the borrowing activity is charged for the costs of the borrowing and the lending activity receives a return on its "investment".

Philosophy

Council acknowledges that there are various financial risks such as interest rate risk, liquidity risk and credit risk arising from its borrowing and investment activities.

The Council is a risk adverse entity and does not wish to incur additional risk from its treasury activities.

Council's treasury function is a risk management function focused on

protecting Council's budgeted interest costs and stabilising the Council's cashflow.

The Council will not undertake any treasury activity unrelated to its underlying cashflow or is purely speculative in nature.

Council will not borrow or enter into incidental arrangements within or outside New Zealand in currency other than New Zealand currency.

Policy Setting and Management

Council approves policy parameters in relation to treasury activities.

The Chief Executive and Finance and Administration Manager have overall financial management responsibility for Council's borrowings and investments.

The following broad objectives provide direction for Council's borrowing, investment and cash management activities:

- To minimise Council's cost of borrowing and to maximise its return on investment within authorised limits;
- To ensure that Council's investments are risk averse and secure;
- To ensure Council's liquidity is managed in order to meet its operating obligations;
- To manage Council's interest rate risk and maintain its exposure within acceptable limits for both borrowings and investments;
- To protect Council's investments by reviewing the viability of equities and the credit ratings of approved financial institutions; and
- To maintain good internal control to ensure that funds are invested and borrowed in accordance with Council Policy.

29.1 Liability Management Policy

General Policy

Council borrows as it considers appropriate within the flexible and diversified borrowing powers of the Local Government 2002.

Council approves borrowing in general terms during the Annual Planning process with specific resolutions to follow.

Projected debt levels are ascertained from cashflow forecasts prepared during the Long Term Financial Strategy and Annual Plan preparation process.

The Council raises borrowing for the following primary purposes:

- General borrowing to fund the Council's ongoing activities;
- Specific borrowing associated with "special one-off" projects; and
- To fund assets with intergenerational qualities.

Council is able to borrow through a variety of market mechanisms including the issue of stock and debentures and direct bank borrowing or through accessing the capital markets.

In evaluating new borrowings (in relation to source, term, size and pricing) the Finance and Administration Manager takes into account the following:

- The size and the economic life of the project;
- The impact of the new debt on Council's borrowing limits;
- Relevant margins under each borrowing source;
- Council's overall debt maturity profile, to ensure concentration of debt is avoided at reissue/rollover time;
- Prevailing interest rates relative to term for both stock issuance and bank borrowing and management's view of future interest rate movements;
- Available term from bank and stock issuance;
- Ensuring that the implied finance terms within the specific debt are at least as favourable as the Council could achieve in its own right; and
- Legal documentation and financial covenants.

Borrowing Limits

In managing borrowing, Council will generally adhere to the following limits:

- Borrowings will not exceed 10% of total assets;
- The annual interest expense of all external borrowings will not exceed 15% of annual rates; and
- Council may exceed the above limits provided the reasons and amount that the limit is being exceeded is disclosed in the Draft Annual Plan which is subject to the Special Consultative Procedure.

Liquidity and Credit Risk Management

Council's ability to readily attract cost effective borrowing is largely driven by its ability to maintain a strong balance sheet as well as its ability to rate, manage its image in the market and its relationships with bankers.

To minimise the risk of large concentrations of debt maturing or being reissued in periods where credit margins are high for reasons within or beyond Council's control, Council ensures debt maturity is spread over a wide band of maturities.

Council manages this specifically by ensuring that:

- No more than 25% of total borrowing is subject to refinancing in any financial year. Total borrowing includes any forecast borrowing.

Interest Rate Risk Management

Council's borrowing gives rise to direct exposure to interest rate movements. Generally, given the long term nature of Council's assets, projects and intergenerational factors, and Council's preference to avoid an adverse impact on rates, there is a general tendency to have a high percentage of long term fixed rate or hedged borrowing.

The Finance and Administration Manager sets the interest rate risk management strategy by monitoring the interest rate markets on a regular basis and evaluating the outlook for short term rates in comparison to rates payable on its fixed rate borrowing.

The Council's general tendency is to have a high percentage of fixed rate or hedged borrowing. Notwithstanding the above, it may be appropriate from time to time, depending on the Council's outlook on interest rates to have a floating rate profile (any debt or interest rate risk management instrument where interest rates are being reset on a frequency of 180 days or less). The Council manages this specifically using the following operating parameter:

The Finance and Administration Manager can approve up to 50% of the total debt to have a floating rate profile.

Management implements an interest rate risk management strategy through the use of the following:

- Adjusting the average maturity of its borrowings, thereby managing interest rate risk; and
- Interest rate risk management products to convert fixed rate borrowing into floating rate, floating rate borrowing into fixed or hedged borrowing.

The following interest rate risk management instruments may be used for interest rate risk management activity, after seeking formal prior approval of the Council:

Forward rate agreements.

- Interest rate swaps;
- Purchase of interest rate options products; and
- Interest rate collar type option strategies.

Security

Generally, Council offers rates as security for general borrowing programmes. From time to time, with prior Council approval, security may be offered by providing a charge over one or more of Council's assets.

Credit Exposure

The Finance and Administration Manager will monitor the risk to Council of the part of any Counterparty.

Repayment

Council repays borrowings from the specific sinking fund or loan redemption reserve allocated to that borrowing or from general funds.

Borrowings are generally repaid over the economic life of the asset or 25 years whichever is the lesser.

Overdraft Facilities

Overdraft facilities are utilised as little as practical but it is acknowledged that, from time to time, they may be necessary. The Finance and Administration Manager, is authorised to arrange an overdraft facility with the Council's primary Banker of up to \$750,000. Overdraft facilities over this amount require prior Council approval. The use of overdraft facilities is to be reported to Council quarterly.

Contingent Liabilities

Council provides financial guarantees to community and service organisations. Management ensures that the business plan of the guaranteed party furthers the strategic objectives of the Council and that financial statements are received on a regular basis. Should the guarantee be called up, Council takes immediate action to recover the money.

Internal Borrowings

Council may adopt internal loan funding mechanisms to fund capital projects from existing surplus funds.

The treasury function is responsible for administering the Council's internal borrowings.

Loans are set up within the internal debt portfolio based on planned loan funded capital expenditure and allocated to the activity incurring the capital expenditure to achieve the following objectives:

- To minimise interest rate variations between invested funds and borrowed funds of the Council;
- To best utilise and manage any surplus funds generated to fund depreciation;
- To provide consistency in interest rates and conditions of borrowing for all Council activities, irrespective of the time capital expenditure is incurred;
- To obtain maximum benefits from the higher degree of predictability of rate cashflows and all other funds required for capital expenditure;
- To reduce or eliminate the need for refinancing loans borrowed to fund infrastructural projects that have a

'useful life span' longer than loan repayment periods available from financial institutions; and

- To reduce the overall cost of funds to Council.

The following operational parameters apply to the management of the Council's borrowings:

- A notional internal loan is set up for all capital expenditure and allocated in the internal portfolio to the activity incurring the expenditure;
- Interest is charged to activities on year-end loan balances at an agreed rate; and
- The interest rate is based on the Council's expected weighted

average cost of funds, and takes into account factors such as the Council's long term cost of funds, anticipated cost of new debt over the next eighteen months and a buffer which provides for certainty in the charging rate and avoids frequent adjustments. The rate is reviewed by the Council and is fixed for the next financial year.

The Finance and Administration Manager uses the internal debt portfolio as an input into determining Council's external debt requirements.

Where possible, the Council's reserves are used to reduce external debt, effectively reducing the Council's net interest cost.

30.0 Investment Policy

General Policy

Council maintains investments in the following financial assets:

- Treasury investments incorporating longer term and liquidity instruments for the management of cash surpluses;
- Property Investments; and
- Equity investments.

Loan and mortgage advances for rural housing, rural water supply and community facility purposes.

Council's philosophy to managing investments is to optimise returns in the long term while balancing risk and return considerations. Council recognises that as a responsible public authority any investments that it does hold should be low risk. It also recognises that lower risk generally means lower returns.

Council seeks to:

- Optimise investment returns;
- Ensure, where possible, investments are liquid; and
- Manage potential capital losses due to interest rate movements if investments need to be liquidated before maturity.

Other than treasury investments, investments in companies, organisations and property must be approved by specific resolution of Council having regard to all relevant information, including (but not limited to) the following:

- Legislative authority to hold such investments;
- The degree of equity interest or control able to be exercised;
- Prudence generally;
- The likely returns on the investment compared with lower risk investments;
- Re-saleability of real property held for investment purposes; and
- Other advantages.

Council currently maintains investments in the following financial assets:

Treasury Investments

From time to time, Council has daily cashflow surpluses and borrowing requirements due to the mismatch of daily receipts and payments.

Management monitor cash flow on a daily basis and prepare cash flow forecasts, in broad terms, up to 12 months in advance. These cash flows determine the Council's surpluses for investment which must be undertaken within the following parameters:

- To ensure Council can meet its commitments as they fall due, in both the short and long term, through cashflow and investment management;
- To effectively manage the Council's return on its investments. Interest rate risk management on Treasury Investments is not permitted;
- To protect Council's investment by reviewing credit worthiness of institutions with whom the Council invests; and
- To ensure internal controls are adequate, in place and followed such that funds are invested in accordance with Council policy.

Acquisition of New Investments

New investments may be acquired if an opportunity arises or if investment supports Council's outcomes and is considered the best means of achieving the outcome.

Council does not have any plans to acquire any major new investments in the current planning horizon. Property investments are required to provide a better investment mix to any individual portfolio.

Approved Issuers, Instruments and Limits

ISSUERS	INSTRUMENTS	LIMITS (% OF TOTAL TREASURY PORTFOLIO)
Risk Free	Treasury Bills	100%
Government Guaranteed	Government Stock	
Near Risk Free Local authorities and other institutions with the ability to levy rates or taxes.	<ul style="list-style-type: none"> ▪ Local authority Stock ▪ Local authority Debentures 	Up to 100% subject to not more than 30% of total treasury investment portfolio with one issuer.
Low Risk Major banks registered with the Reserve Bank with a short term credit rating of at least A1 or better and/or long term credit rating of at least A or better as rated by Australian Rating Agency or equivalent rating of other international agencies Other issuers as long as they have a short term credit rating of at least A2 or better and/or long term credit rating of at least A or better as rated by Australian Rating Agency or equivalent rating of other international agencies.	<ul style="list-style-type: none"> ▪ Money market call deposits ▪ Money market term deposits ▪ Transferable certificates of deposit ▪ Negotiable certificates of deposit ▪ Bank Bills ▪ Promissory notes ▪ Corporate Bonds 	<p>No more than 30% of total treasury investment portfolio with one registered bank except for Council's bank which may from time to time exceed this ratio.</p> <p>Up to 30% but no more than 20% of total treasury investment portfolio with any single issuer.</p>

Application of Proceeds from Treasury Investments

Upon maturity of a treasury investment the following must be determined and specifically addressed relating to the proceeds:

- a) Was the investment held for short term or long term investment?
- b) Are the withdrawal proceeds required for cashflow purposes, if so, was it formally addressed (Long Term Council Community Plan, Asset Management Plan etc). If not, what action will be required to replace the investment, or is a specific resolution required to reduce the level of investments?
- c) If an investment matures, which is not required for cashflow purposes, then the proceeds are to be reinvested as per the Investment Policy.

Property Investments

Council may from time to time invest in property if it is seen as a benefit to the District.

Council accepts that investment in property is not without risk. However it believes that the risks are more than offset by the benefits of Council ownership to the residents and ratepayers of the District.

These benefits include Council's ability to provide facilities for community use at less than commercial rates and where the private sector might be unwilling to make a property available.

Risks are that the value of the properties decrease, maintenance is required at a cost greater than expected and rents received are less than expected. Council believes that these risks are minimal and is happy to accept them.

Equity Investments

In general, Council will not become involved in equity investments purely for income earning purposes. Council will only become involved when there are strategic or other similar reasons for doing so, or where it is considered to be the most appropriate way to administer a Council function.

Loan and Mortgage Advances

Council will not become involved in any new Loan and Mortgage Advances of a General Nature.

It will consider from time to time making an advance to ratepayers to fund their Capital Contribution towards defined projects, which will be repaid over a period of time through levying a targeted rate.

Interest Rate Risk Management

Council's investments give rise to a direct exposure to a change in interest rates, impacting on the return and capital value of its investments.

The District Accountant sets the rate interest risk management strategy by monitoring the interest rate markets on a regular basis and after taking appropriate

advice, evaluates the outlook and determines the interest rate profile to adopt for investments.

Management implements interest rate risk management strategy by reviewing rolling cashflow forecasts and by using risk management instruments to protect investment returns and /or to change the interest rate and maturity profile.

The following interest rate risk management instruments may be used for interest rate risk management activity, after formal prior approval of the Council:

- Forward rate agreements;
- Interest rate swaps;
- Purchase of interest rate options products; and
- Interest rate collar type strategies.

Selling interest rate options for the purpose of generating premium income, which are not part of a collar type strategy or unwinding cover already in place, are not permitted.

Reporting Procedure

Treasury investments will be managed by the Finance Division and the Council will receive a report every three months.

All other investments will be approved by Council who will also consider reporting procedures for each investment.

31.0 Council-Controlled Organisations

The Local Government Act 2002 requires that Council include in the LTCCP information on those organisations in which Council is a shareholder.

In particular, Council must include:

- Its significant policies and objectives

regarding ownership and control of the organisation;

- The nature and the scope of the activities to be provided by the organisation; and
- The key performance targets and other measures by which performance may be judged.

31.1 Waikato Regional Airport

Waikato Regional Airport Ltd (Hamilton International Airport) is jointly owned by five local authorities: Hamilton City, Waikato District, Waipa District, Otorohanga District and Matamata / Piako District Councils.

Otorohanga District Council's shareholding is 3.125%

Corporate Mission

The mission of Waikato Regional Airport is to operate a successful commercial business providing safe, appropriate and efficient services for the transportation of people and freight in and out of the port of Hamilton.

Goal

Retention of the Airport as a major infrastructural facility, important to the economy of the Waikato. A Statement of Intent provided by the Airport Company (as required by Section 64 of the Local Government Act 2002) is available but does not form part of this Plan.

Policies and Objectives

Council intends to maintain its current shareholding for the foreseeable future. There are no formal policies or objectives relating to ownership and control of Waikato Regional Airport.

Performance Targets

	2007	2008	2009
Net profit after tax to average shareholders' funds*	2.58%	2.05%	2.87%
* <i>Appears low due to the value of the company's large land holdings</i>			
Net Profit before tax / interest to total assets.	10.23%	10.95%	10.89%
Net profit after tax to total assets.	0.74%	0.98%	1.50%
Net profit before tax / interest to average shareholders' funds.	21.70%	22.93%	20.77%
Percentage of Non Landing Charges Revenue.**	77.11%	78.01%	78.57%
** <i>Non Landing Charges Revenue is defined as revenue that has not been recovered directly from airlines</i>			
Total Liabilities / Shareholders Funding (Debt / Equity Ratio)	53:47	52:48	44:56

Interest rate cover

The interest cover measures the number of times the Net Profit Before Interest, Tax and Depreciation (EBITDA) covers interest paid on debt and is used as an indicator of under-capitalisation.

The forecast interest coverage of 2.2 for 2005/06 complies with Clause 2.2 of the constitution requiring that the interest rate

coverage does not fall below 2.0.

The shareholding councils have agreed that WRAL may issue shares for uncalled capital totalling \$21.6 million in order to secure funding for proposed developments at Hamilton International Airport. Council's liability under this arrangement is capped at \$3.375 million.

31.2 Local Authority Shared Service Limited

Establishment

The local authorities of the Waikato Region have worked closely together over a number of years on mutually beneficial joint projects. These projects have demonstrated the benefits that can be gained, both in terms of outcomes achieved and reductions in costs to the community.

Taking this a step further the local authorities have begun to develop new shared service initiatives, including a valuation database to provide on-line, up-to-date, information for all Councils.

The initiative has been formalised by the establishment of Local Authority Shared Service Limited (LASS).

Local authorities of the Waikato Region have established LASS as a Council Controlled Organisation by way of a company, in which each local authority will have a single share. This company will be used as an umbrella for future development of shared services throughout the region.

Share Holders

Local Authority Shared Service Limited is jointly owned by the 13 local authorities of the Waikato region, being:

- Waikato Regional Council (Environment Waikato);
- Hamilton City Council;
- Franklin District Council;
- Hauraki District Council;
- Matamata-Piako District Council;
- Otorohanga District Council;
- Rotorua District Council;
- South Waikato District Council;
- Taupo District Council;
- Thames-Coromandel District Council;
- Waikato District Council;
- Waipa District Council; and
- Waitomo District Council.

Constitution

The constitution of Local Authority Shared Services Limited sets out the principles according to which the company will be operated and governed. This includes shareholders' rights and the appointment of directors.

The annual Statement of Intent identifies the activities and intentions of the company for the year, and the objectives to which those activities will contribute.

Company Objectives

The objective of the company is to provide local authorities of the Waikato Region with a vehicle to develop shared services and provide them to local authorities.

Nature and Scope of Activities

The principle nature and scope of the activity for the company is to:

- 1) Provide shared services to all local authorities within the Waikato Region. The company also intends to sell process and systems, as set up under individual agreements, to local authorities outside the region.
- 2) Pursue all opportunities to develop shared services that may benefit the community, either through enhanced services or reduced cost.
- 3) Give consideration to developing shared service products which a majority of local authorities of the region believe are of value. The objective is to provide the most effective access to regional information that may be of value to the community, using modern technology and processes.
- 4) Explore all possible avenues to provide these services itself or contract them from outside parties, each depending on a rigorous business case.

The initial product developed is a shared valuation database.

It is envisaged that the company will continue to develop new products to be made available to the local authorities within the Waikato Region.

At the same time other opportunities may be explored in partnership with local authorities outside region to develop new products, such as aerial photograph provisions, GIS systems, and emergency management systems.

Performance Targets

The initial performance targets are best estimates and will be reviewed on a year-by-year basis to ensure that the products being offered continue to provide state of the art and cost effective process for the shareholders.

The Performance Targets are that:

- All products are to be fully costed, including development costs, and are to be recovered by way of revenue over a maximum of a five-year period;
- The company will enter into long-term contracts, of at least three years duration, with each of the participating parties, with regard to any product development, so as to ensure the costs of development are spread equitably between the partners and over a realistic timeframe;
- Guarantees will be obtained from the participating parties to provide the capital and cash requirements of the organisation and to ensure that, based on prevailing interest rates, the cost of the development of new products is covered; and
- A positive cashflow will be maintained, such that there is at least 90 percent satisfaction with the services being provided.

Directors

The current directors of Local Authority Shared Service Limited are noted below:

Directors	Position	Councils Director Represents
<i>Harry Wilson</i>	<i>CEO Environment Waikato</i>	<i>Environment Waikato</i>
<i>Tony Marryatt</i>	<i>CEO Hamilton City Council</i>	<i>Hamilton City Council</i>
<i>John Inglis</i>	<i>CEO Waipa District Council</i>	<i>Waipa, Otorohanga and Waitomo District Councils</i>
<i>Langley Cavers</i>	<i>CEO Hauraki District Council</i>	<i>Thames-Coromandel, Hauraki and Matamata-Piako District Councils</i>
<i>Phillipa Wilson</i>	<i>CEO Franklin District Council</i>	<i>Franklin and Waikato District Councils</i>
<i>Peter Guerin</i>	<i>CEO Rotorua District Council</i>	<i>Rotorua, South Waikato and Taupo District Councils</i>

31.3 Minor Shareholdings

Council continues to hold minor shareholdings in the following companies:

- King Country Energy 0.054%
- Balance Agrinutrients 0.0046%
- NZ Local Govt Insurance Corp 0.0078%

32.0 Policy on Significance

Otorohanga District Council must adopt, by special consultative procedure, a policy on significance. Having such a policy allows the Council to identify and recognise issues that the community regards as significant and wishes to be consulted on. It will assist the Council to assess significance consistently, and match its consultation and consideration of issues to community expectations.

The intent of this policy is to enable Council to undertake its day to day operating activities in an efficient and effective manner.

Council will take into consideration the following:

- The current and future social, economic, environmental or cultural well being of the District;
- The impact of the decision on Council's strategic direction as outlined in the Long Term Council Community Plan;
- The impact of the decision on individual communities and the appropriate community plan;
- The public interest (both historical and current) in relation to decisions concerning this issue; and
- The financial consequence of the issue. An issue which has a direct annual financial consequence of more than 7.5% of total operating expenditure (including internal charges) would be regarded as significant.

Criteria

The following is the criteria for assessing the significance of an issue:

Whether the asset is a strategic asset within the meaning of the Local Government Act 2002 or listed in this policy.

- The extent to which there is, or likely to be, a change in the level of service in carrying out any significant activity;
- The extent to which there is, or is likely to be, a change in the way in which any significant activity is carried out;
- The extent to which there is, or is likely to be, a change in the capacity of the Council to provide any significant service or carry out any significant activity; and

- The assets being considered must be owned by Otorohanga District Council.

Thresholds

The following are the thresholds which Council will use to determine the significance of issues:

- Any one project with an expenditure of more than 7.5% of total operating expenditure (including internal charges) in any financial year;
- Any transfer to or from Council of ownership or control, of an asset at a value greater than 7.5% of total operating expenditure (including internal charges);
- Entry into any partnership with the private sector to carry out an entire activity (as defined in the Revenue and Financing Policy) which has an annual operating expenditure of more than 7.5% of total operating expenditure (including internal charges); and
- Exemptions from these thresholds will be:
 - Any land and buildings in fee simple (freehold title);
 - Any emergency works whatsoever such as natural disasters; and
 - Roading maintenance contracts (including reseals).

Processes

The decision to determine whether or not a project or issue is significant will be decided by Council through reports to either committee meetings or Council directly.

In terms of the Local Government Act 2002, the following assets are considered to be strategic:

- The roading network and associated infrastructure;
- Parks and Reserves, associated buildings (excluding community halls), and infrastructure;
- Water supply schemes;
- Wastewater schemes;
- Urban stormwater schemes;
- Housing for the Elderly units;
- Kawhia Wharf; and
- Shareholding in Waikato Regional Airport Limited.

33.0 Policy on Financial Contributions and Development Contributions

Background

The new Local Government Act 2002 requires Council to have a policy on financial or development contributions. Financial contributions are authorised through the Resource Management Act 1991 while development contributions are provided for in the Local Government Act 2002.

Financial Contributions

Council's policy on financial contributions is contained within the Otorohanga District Plan (pp 12-16), which became operative on 1 July 2002 and was reviewed by way of a Plan Change, effective 1 April 2006.

The provisions set out in the District Plan include:

- The circumstances when such a contribution may be imposed;
- The purpose for which such

contributions may be required and used;

- The manner in which the amount of the contribution will be determined; and
- Matter which the Council will have particular regard to when deciding whether to impose a financial contribution, the type or types of contribution, and the amount of any contribution.

It is intended that this policy will be revisited as part of the upcoming District Plan Review.

Development Contributions

It is intended that Council will prepare a policy on development contributions which will operate in tandem with the existing financial contributions policy.

This development contributions policy will be adopted by way of an amendment to the Long Term Council Community Plan.

34.0 Policy on Partnerships with the Private Sector

Background

The Council is required to adopt a policy on partnerships between the Council and the private sector under Section 102(4)(e) of the Local Government Act 2002.

The purpose of this policy is to set out the circumstances and terms for the commitment of Council resources to partnerships with the private sector.

For the purposes of this policy, a partnership with the private sector is defined according to the Local Government Act 2002 as any arrangement or agreement that is entered into between one or more local authorities and one or more persons engaged in business, but does not include an agreement in which the only parties are local authorities or Council Organisations.

A contract for the supply of any goods or services to, or on behalf of, a local authority is not defined as a partnership with the private sector.

Circumstances where Partnerships with the Private Sector will be considered

The Council will consider entering into a partnership arrangement with the private sector where it can be identified that the partnership will:

- Contribute to achieving the community outcomes identified in the LTCCP in an integrated and efficient manner; or
- Assist with the achievement of Council's strategic objectives as identified in any other planning document formally adopted by the Council; or
- Promote the social, economic, cultural or environmental well-being of the District; or
- Be a prudent, efficient and effective use of Council's resources in the interests of the District; or
- Enable the provision of a product or service which is in the interests of the

community but which the private sector is unwilling or reluctant to provide sufficient resources without Council support; or

- Enable the provision of a product or service which is in the interests of the community but which the public sector is unwilling or unable to provide sufficient resources; and
- Where such a partnership is likely to deliver better value for money, based on cost, time and financial arrangements than alternative delivery methods.

Consultation

The Council will not normally consult on partnerships that fall within the circumstances outlined in this policy, unless the Council determines that public consultation should occur having regard to the significance of the proposal.

The Council will consult when the proposed partnership is regarded as significant in terms of the Council's significance policy.

Where possible consultation will be performed through the consultation provisions required for the adoption of a Long Term Council Community Plan or Annual Plan.

Conditions to be Imposed

Before committing any resources to any form of private sector partnership, the Council will establish the following conditions:

- Private participation must be subject to the Council's normal purchasing protocols, including competitive tendering processes where appropriate;
- Emphasis will be placed on the need for transparency and disclosure of processes and outcomes, acknowledging the need to protect commercial confidentialities where appropriate;
- Outputs will be clearly specified, and include measurable performance standards;
- A clear and enforceable risk management regime will be agreed; and

- The Council's information requirements for monitoring of outcomes will be agreed.

Risk Assessment and Management

A comprehensive assessment of risks associated with any partnership proposal will be undertaken before any commitment to proceed. The assessment of risks shall include the identification and consideration of:

- i) The risks associated with the partnership.
- ii) The probability of the risks being realised.
- iii) The potential effect of the risks being realised.
- iv) The following areas of risk will be addressed.
 - a) Financial risks.
 - b) Legal risks.
 - c) Risk to the Reputation of Council.
 - d) Health and Safety risks.
 - e) Risk to the capacity of Council to

carry out its activities, now and in the future.

- f) Any other relevant risks.

A risk management regime will be agreed to as a condition of the partnership.

The prime principle for risk management within a partnership shall be to transfer risk to the party best placed to manage it.

Monitoring and Reporting

Partnership contracts will be monitored and reported in accordance with a financial and progress reporting regime developed and agreed between the parties before the partnership is established.

Assessing, Monitoring and Reporting on the Achievement of Community Outcomes

Monitoring and reporting will be proportionate to the significance of the proposal, and will be through existing mechanisms such as the Annual Report.

35.0 Policy on Appointment of Directors

Introduction

Under Section 57 of the Local Government Act 2002 the Council is required to adopt a policy on the appointment of directors.

Section 57 of the Local Government 2002 specifies that:

- (i) A local authority must adopt a policy that sets out an objective and transparent process for:
 - The identification and consideration of the skills, knowledge and experience required of directors of a Council organisation; and
 - The appointment of directors to a Council organisation; and
 - The remuneration of directors of a Council organisation.
- (ii) A local authority may appoint a person to be a director of a Council organisation only if the person has, in the opinion of the local authority, the skills, knowledge, or experience to:
 - Guide the organisation, given the nature and scope of its activities; and
 - Contribute to the achievement of the objectives of the organisation.

Council Policy

In order to achieve the objectives of this section of the Act the following draft policy has been developed:

Identification of Skills, Knowledge and Experience Required of Directors

In any case where a director is to be appointed the Council will develop a Director Specification for the role.

The Director Specification will detail the skills, knowledge and experience required for that role. The role specification will take into account:

- (i) The nature and scope of the organisation;
- (ii) The organisation's future direction;
- (iii) The organisation's constitutional arrangements;
- (iv) The strategic objectives of the

organisation and the attributes, skills and knowledge that will be required to achieve the strategic objectives;

- (v) The skills of the current directors of the company or the required skills of all the directors of the company; and
- (vi) Any specific skill, knowledge and experience that is currently required or may be required in the future.

The role specification will detail:

- a) The functional relationships of the role;
- b) The responsibilities and liabilities attached to the role;
- c) The key result areas for the role;
- d) The personal attributes for the role; and
- e) The specific skills/qualifications required for the role.

The Appointment Process for Directors

- 1) A list of potential directors will be achieved by all or any of the mechanisms listed below:
 - (i) Publicly advertising the position/positions that are available;
 - (ii) Directly approaching people it is felt may be appropriate for the role;
 - (iii) Asking relevant groups within the community for nominations for the role of directors;
 - (iv) Asking the candidates to supply:
 - A curriculum vitae which establishes how well they meet the role specification for the directorship role;
 - A letter detailing why they are interested in the particular role; and
 - A report on any conflicts of interest their appointment may cause.
- 2) A selection panel will be established that will consider all applications, short list applicants for interview and make a recommendation to Council.

The panel will include:

- (i) His Worship the Mayor and other such Councillors and/or Community Board Members that the Council may deem appropriate;
 - (ii) The Council's Chief Executive Officer and other such Council staff or external consultants that would add value to the process.
- 3) The selection panel will make a recommendation to Council for adoption by resolution.
 - 4) The term of the Director's position will be determined by the constitution of the organisation to which the director is appointed.
 - 5) At the end of each term the candidate selection panel will review the director's performance. This review will be used to determine whether or not to reappoint the director.
 - 6) A director may only be re-appointed for one term. Thereafter the position will be opened to the full application process. A retiring director is eligible to re-apply for the appointment under this process.

The Appointment of Staff or Councillors as Directors

It is not considered appropriate for either staff or Councillors to act as directors of Council controlled organisations.

The reason for this policy is that a conflict of interest could be created between an elected member's role as an objective decision maker on behalf of residents and ratepayers or the role of staff as advisors to Council, and the responsibilities of the role of director.

Notwithstanding the above, it is recognised that from time to time it may be appropriate for an elected member or member of Council Staff to be appointed as a director. In these cases appointment must be ratified through a formal resolution of Council.

Remuneration of Directors

The director's role specification will be used to establish an appropriate level of remuneration. In the case of profit seeking organisations the Council will determine an appropriate rate of

remuneration based upon market rates for comparable positions at the time of appointment.

Market rates will be reviewed on an annual basis.

The expectation will be that directors who are performing adequately will receive any market-based increase on an annual basis.

Waikato Regional Airport Limited

Notwithstanding the above, the appointment and remuneration of directors to the Board of the Waikato Regional Airport Limited will be undertaken in accordance with a shareholders agreement, as adopted by resolution of the Council from time to time.

Local Authority Shared Services Limited

The appointment and remuneration of Directors to the LASS shall be in accordance with section 13.1 of the Company's constitution, which states:

The board shall consist of not less than three (3) and not more than nine (9) directors, of whom:

- a) One shall be appointed by Waikato Regional Council;
- b) One shall be appointed by Hamilton City Council;
- c) One shall be appointed by agreement between Franklin District Council and Waikato District Council;
- d) One shall be appointed by agreement between Thames-Coromandel, Hauraki and Matamata-Piako District Councils;
- e) One shall be appointed by agreement between Waipa, Otorohanga and Waitomo District Councils;
- f) One shall be appointed by agreement between South Waikato, Taupo and Ruapehu District Councils; and
- g) Up to three additional directors may be appointed by the board.
Such appointees must have one or more of the following skills:

- (i) Specialist information technology skills;
- (ii) Specialist financial skills;
- (iii) Specialist commercial skills; and
- (iv) Specialist entrepreneurial skills.

The appointee on behalf of the Otorohanga, Waipa and Waitomo District Councils shall be determined as follows:

1. The Mayors of Otorohanga, Waipa and Waitomo District Councils will meet annually to review the performance of the appointed director and agree on the re-appointment of a director for the next twelve months.
2. The recommendation of the Mayors

will be presented for ratification at an ordinary meeting of each Council, notwithstanding that the authority to appoint a director may be delegated, in which case Council will be advised of the appointment or re-appointment at its next ordinary meeting.

3. The appointed director must be the Chief Executive of either Waipa District Council, Otorohanga District Council or Waitomo District Council.

Remuneration (LASS Section 16.2)

The payment of remuneration or the provision of other benefits of the Company to a Director for services as a director, or in any other capacity, may only be authorised by ordinary resolution of shareholders.

SUPPORTING INFORMATION

36.0 Equal Employment Opportunities Programme

The Otorohanga District Council is committed to supporting the principles of equal opportunity in recruitment, selection, employment, training and promotion.

The policy of the Council is to ensure that no employee, or potential employee, shall gain any advantage or suffer any disadvantage by reason of their race, colour, ethnic or national origin, gender, marital status, sexual preference, age, religious or political beliefs, or personal disability where said disability is

irrelevant to an individual's ability to carry out the job.

This policy will remain consistent with:

- Good personnel policy and practices;
- The Human Rights Act 1993;
- Employment Contracts Act 1991;
- Local Government Act 2002; and
- Other relevant legislation as it is enacted.

Council is committed to a programme of action to ensure its activities are carried out without discrimination.

37.0 Māori Involvement in Decision Making

In order to promote Māori involvement in decision making the Otorohanga District Council will:

- a) Identify Māori stakeholder groups within the District and develop a database for regular supply of information and engagement. This database should include:
 - (i) All marae;
 - (ii) Management groups used extensively for consultation under the Resource Management Act (including Nehenehenui RMC and the Te Tai o Kawhia RMC); and
 - (iii) Key individuals within the District with knowledge on specific issues.
- b) Identify key issues of interest to Māori, including:
 - (i) LTCCP and Annual Plan;
 - (ii) Annual Report;
 - (iii) District Plan and associated documents;
 - (iv) Issues of possible significance to Māori.

- c) Build on existing relationships through:

- (i) Regular marae visits;
- (ii) Supplying key information in a regular and timely fashion; and
- (iii) Continuing to encourage the dialogue that has already been established.

- d) Identify a draft annual timetable of documents that Council wish to have engagement with Māori upon and deliver it to the stakeholders so as to give adequate advice of upcoming processes.

- e) From time to time, by resolution of the Council or a Community Board, seek advice and input into key policy matters from suitably qualified or experienced persons where a Māori perspective will add value to the direction of Council and/or the community.

This payment for advice or input should NOT be confused with engagement, consultation and/or participation in decision-making.

ORGANISATION

38.0 District Personnel

Mayor:

Dale Williams Phone (Bus): (07) 873 8199
Fax: (07) 873 7991
Mob: 0274 691 933
Postal: PO Box 11, Otorohanga
Website: www.otorohanga.co.nz

Deputy Mayor:

Hugh Earwaker – *Kiokio/Korakonui Ward* (07) 871 1761

Councillors:

Sue Blackler – *Waipa Ward* (07) 872 2760
Doreen de Haan – *Tihiroa Ward* (07) 873 8631
Leveson Gower – *Wharepuhunga Ward* (07) 872 2825
Kit Jeffries – *Otorohanga Ward* (07) 873 7615
Deborah Pilkington – *Kawhia Ward* (07) 871 0654
Graham Wilshier – *Otorohanga Ward* (07) 873 8079

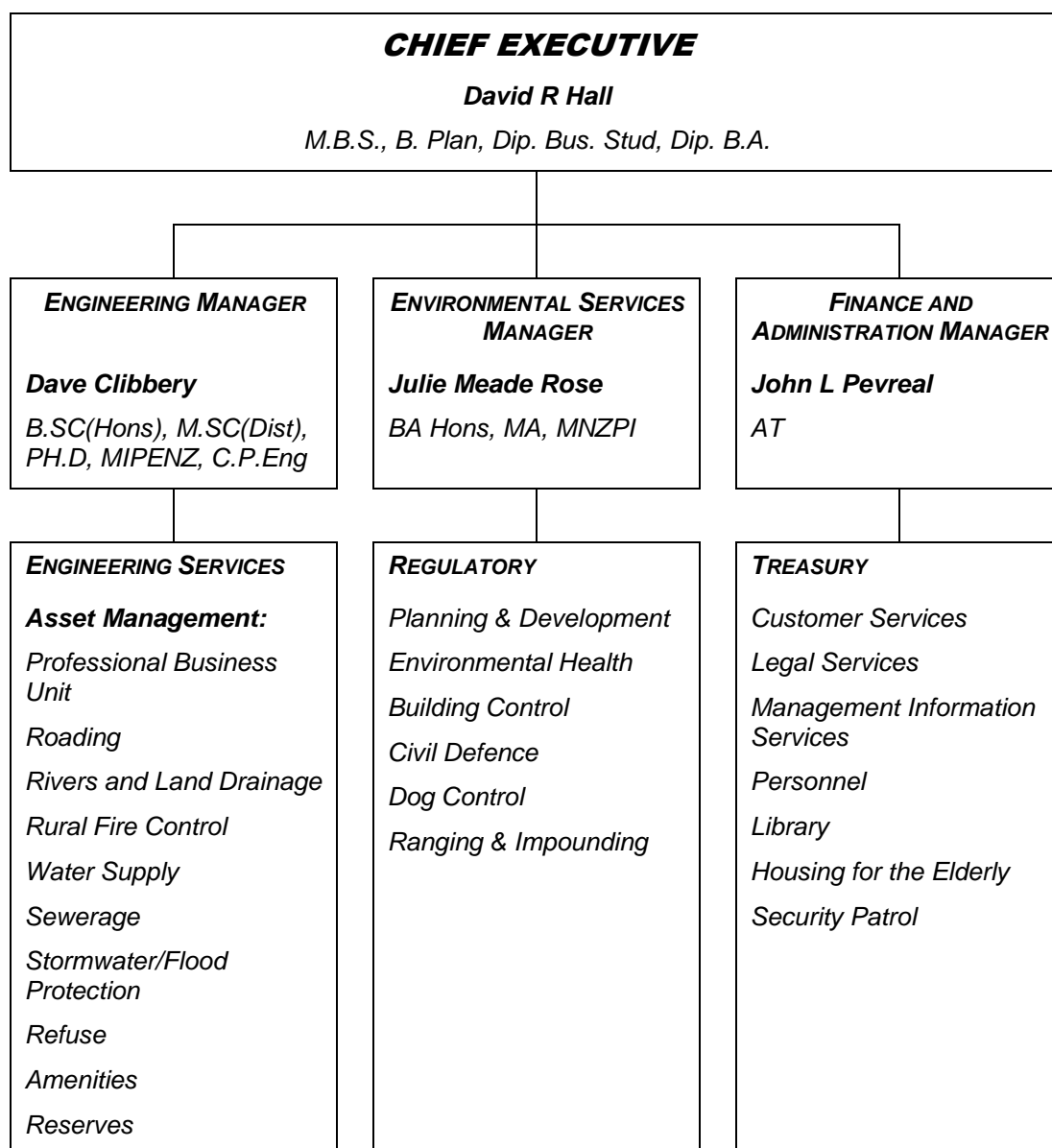
Otorohanga Community Board:

Graham Wilshier – *Chair* (07) 873 8944
Liz Cowan – *Deputy* (07) 873 0849
Kit Jeffries (07) 873 7615
Tim Jones (07) 873 8380
Brendon McNeil (07) 873 7842
Andrew Ormsby (07) 873 8300

Kawhia Community Board:

Allan RuBay – *Chair* (07) 871 0822
Murray Livingstone – *Deputy* (07) 871 0815
Deborah Pilkington (07) 871 0654
Lou Sherman (07) 871 0785
Ray Tooman (07) 871 0833

39.0 Management Structure



POSTAL ADDRESS: PO Box 11, Otorohanga

COUNCIL CHAMBERS: Maniapoto Street, Otorohanga

TELEPHONE NUMBER: (07) 873 8199

FREEPHONE, RATEPAYERS ONLY: 0800 738 199

FAX NUMBER: (07) 873 7991

EMAIL: info@otorohanga.govt.nz

WEBSITE www.otorohanga.co.nz

BANKERS: Bank of New Zealand, Otorohanga

AUDITORS: Deloitte, Hamilton

SOLICITORS Gallie Miles, Te Awamutu

40.0 District Background

Otorohanga District is located some 50 kilometres south of Hamilton. The area administered by the Council covers 1976 sq.km and extends from the Kawhia and Aotea Harbours on the west coast for a distance of 90km to the eastern extremity near Mangakino. Included within the District are the urban communities of Otorohanga, Kawhia and Aotea.

Geographically, the District comprises three distinct areas of approximately equal size. The eastern and western areas have predominantly more hills than the central area which is the southern limit of the Waikato Basin. Farming is the dominant industry with sheep and cattle farming in the hill country and intensive dairy farming in the central area. Horticulture and cropping are lesser but developing activities.

The original Otorohanga County was formed on 1 April 1922 and arose out of the amalgamation of the former Wharepapa and Mangaorongo Roads Board and part of the Waitomo County. The northern half of the former Kawhia County was amalgamated into the District on 1 April 1956.

On 1 November 1971, the County of Otorohanga and the Borough of Otorohanga were united to form a new County of Otorohanga. At the time of the union there was no provision for "District" Council status, which only became available in 1978 following an amendment to the Local Government Act 2002.

The change in designation from a County Council to a District Council took place on 1 April 1979 and was made primarily to give recognition to the fact that Council is a rural-urban council with the urban area an integral part of the organisation. The Council has, over the years, assumed the functions of all the Drainage Boards in the District.

In 1985 the Council also took over the function of the Otorohanga Pest Destruction Board. However, with local government reorganisation, this latter function became the responsibility of the Waikato Regional Council (Environment Waikato). As a consequence of these changes over the years, the Council believes that it is able to function as an effective and independently viable unit of local government with adequate staff and

resources to administer a comprehensive range of services for its constituent ratepayers and residents.

Access is provided by a roading network totalling 912km in length. State Highways 3, 31 and 39 account for 95km of this and are maintained by Transfield under contract to Land Transport New Zealand at no cost to Council. The balance of 817km comprises 514km of sealed pavements of varying widths and 293km of metalled roads. Of these 26.7km of sealed roads are within the urban communities of Otorohanga and Kawhia as are 0.6km of the unsealed roads. Within the Council maintained roading network are 167 bridges totalling 1996m in length and including 40 stock access structures.

Since the Otorohanga County was first constituted, the prime aim of Council has been extension and improvement of the roading system as a means of encouraging land development and stimulating primary production. The Council Office is located in the Community of Otorohanga which is situated on the Main Trunk Railway and State Highway No.3.

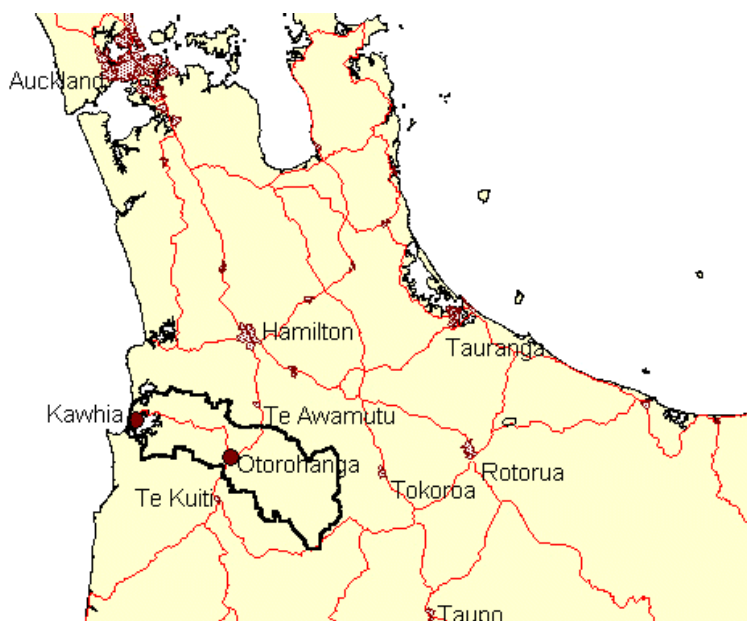
The town has good shopping facilities, three modern primary schools and a College, good medical facilities and caters for a wide range of sporting and cultural activities. Otorohanga is centrally placed, being within easy driving distance of Auckland, Hamilton, Tauranga, Rotorua, Taupo and New Plymouth.

The town has a population of 2720 and is an important focus for tourist activities in the North King Country area. Being 16 kilometres north-west of Waitomo, Otorohanga is the closest town to the world famous glowworm caves.

Kawhia, a small holiday resort on the west coast, is also within the District. It is located on the shores of the Kawhia Harbour some 57 kilometres west of Otorohanga via State Highway 31, and has a permanent population of 440 with this increasing to over 3000 at peak holiday periods.

Kawhia is the home of the Tainui people who settled there 600 to 700 years ago. The Kawhia Harbour covers more than 6000 hectares, with five rivers feeding into it. It is a popular and productive fishing spot.

41.0 Statistics



Area and Population

Area (square kilometres).....	1,976
Population (2001 Census figures).....	9,279

Communities	Area	*Population
--------------------	-------------	--------------------

Otorohanga	390 ha.....	2,720
Kawhia	95 ha.....	440
Rural.....	197,115 ha.....	6,320
<hr/>		
TOTAL.....	197,600 ha.....	9,480

Valuation

Number of Rateable Properties	4,853
Number of Non-Rateable Properties.....	237
Rateable Capital Value	\$2,225,302,900
Date of last Revision of Values	1 September 2004

Estimated Public Debt as at 30/06/06

Public Debt Outstanding	\$13,259,933
-------------------------------	--------------

Date of Constitution of District 1 November 1989

* Statistics New Zealand Estimated Population 2005

APPENDICES

Appendix 1 – Community Outcomes

Otorohanga Community Outcomes

OUTCOMES	STRATEGIES	SPECIFIC ACTIONS
<i>Economic</i>		
<p>Otorohanga is a must-see tourism destination. Its many attributes are enhanced, including its natural features, such as rivers, gardens and Kahikatea remnants, its position as a travel gateway and Tourism New Zealand's categorisation of Otorohanga as an 'ideal town'.</p> <ul style="list-style-type: none"> Other Activities (District Promotion, Development and Tourism). Community Services (Parks and Reserves). Litter control. 	Promote better service and hospitality.	Incorporated into Otorohanga District Development Board contract through Tourism Strategy.
	Develop access to the river.	Engineers to investigate the creation of a riverbank reserve. Completed
	Continued development of Otorohanga Domain (Bush Park).	Review reserve management plan and tie in with development of the Kiwi House. Underway
	Support development of the Kiwi House.	Review project and support financially. Underway
	Actively market the town.	Incorporated into Otorohanga District Development Board contract through Tourism Strategy.
	Promote the "historic tourist route".	Discuss with Otorohanga Historical Society. Underway
	Retain and develop the rail link.	Develop Railway Station building for tourist friendly use. Underway
	Retain and develop the rail link.	Otorohanga District Development Board (and ODC) to liaise with Toll NZ and other rail operators to make Otorohanga a destination. (Tourism Strategy).
	Retain and develop the rail link.	Develop Wahanui Crescent as a transport hub (e.g. landscape plan). Underway – Landscape Plan

OUTCOMES	STRATEGIES	SPECIFIC ACTIONS
	Retain and develop the rail link.	Otorohanga District Development Board to investigate a shuttle bus service (as part of Tourism Strategy).
	Retain and develop the rail link.	Target Hamilton and Auckland visitor markets for rail trips (as part of Tourism Strategy).
	Accommodation study identified the need for a five star hotel.	Opportunities have been investigated. No further action, at this time
	Strengthen our relationship with tourism operators and Destination Waitomo.	Incorporated into Otorohanga District Development Board contract through Tourism Strategy.
	Maintain our tidiness.	Ongoing
	Support local Māori tourism.	Discuss with Nehenehenui and Otorohanga District Development Board.
	Establish Otorohanga as a preferred stop for travellers.	Liaise with potential developers to identify key tourist oriented sites. Completed
	Promote Otorohanga as NZ's Kiwiana Capital.	Incorporated into Otorohanga District Development Board contract through Tourism Strategy.
	Promote existing attractions (hanging baskets, Pou Pou etc).	Incorporated into Otorohanga District Development Board contract through Tourism Strategy.
	Maintain Council's i-site.	Incorporated into Otorohanga District Development Board contract through Tourism Strategy.
Existing economic strengths in the community are promoted and make the town an attractive destination for the development of small to medium sized businesses. That the business community is vibrant and progressive and a cornerstone of the greater community.	Promote better service and hospitality.	Incorporated into Otorohanga District Development Board contract through Tourism Strategy.
	Undertake market research to assist business growth.	Refer to Otorohanga Business Association.
	Establish business development and mentoring.	Incorporated into Otorohanga District Development Board contract through Economic Development Strategy.

OUTCOMES	STRATEGIES	SPECIFIC ACTIONS
<ul style="list-style-type: none"> Other Activities (District Promotion, Development and Tourism). Environmental Services (Planning and Development). District Roothing. Democratic Processes. 	Celebrate business successes.	Incorporated into Otorohanga District Development Board contract through Economic Development Strategy.
	Facilitate Māori initiatives for business or jobs.	Refer to Nehenehenui and employment agencies.
	Take advantage of traffic flows at SH3 / SH31 intersection.	Signage directing traffic into town. Completed
	Include side streets in the extension of the CBD.	Investigate as part of District Plan Review.
	A tidy business area.	Ongoing
	Maximise parking.	Main street parking reviewed. New parking area developed. Spare parking in Tuhoro Street. No further action required
	Maintain the State Highway status of Maniapoto Street.	Status to be reinforced in submissions.
<p>There are adequate flow-on effects of any economic benefits.</p> <ul style="list-style-type: none"> Democratic Processes. 	Economic development will reduce rates burden.	No specific action.
<p>Otorohanga has housing that satisfies the needs of the community and those who may consider joining the community.</p> <ul style="list-style-type: none"> Other Activities (Property Development). Other Activities (Pensioner Housing). Environmental Services (Building Control). 	Identify housing needs and facilitate development.	Accommodation Needs Study has been undertaken and Westridge subdivision is underway. Completed
	Work with agencies such as Housing NZ.	Re-development of pensioner flats under investigation.
	Encourage sustainable building / housing design.	Discuss options with EECA.
<p>Otorohanga is promoted as an ideal centre for retired people, focussing on the many facilities it has for older people.</p> <ul style="list-style-type: none"> Other Activities (Pensioner Housing). 	Develop a promotions strategy.	Incorporated into Otorohanga District Development Board contract through Economic Development Strategy.

OUTCOMES	STRATEGIES	SPECIFIC ACTIONS
<i>Environment</i>		
All bodies of water are returned to their best possible condition. They are recognised and enhanced as living ecosystems and as having cultural significance for tangata whenua (local residents / people [of the land]). <ul style="list-style-type: none"> Democratic Processes. Drainage & Utilities (Flood Protection/ Stormwater/ Waste Water /Land Drainage). Environmental Services (Planning and Development/ Environmental Health). 	Develop environmental education programmes that highlight the importance of waterways, both environmentally and culturally.	Discuss with Environment Waikato.
	Liaise with Environment Waikato on erosion control – particularly stop banks.	Retain ongoing management and control of Otorohanga's stopbanks.
The community has ready access to its natural environment. <ul style="list-style-type: none"> Community Services (Parks and Reserves). 	Enhance and develop access to, and passive recreation areas on, riverbank reserve.	Engineers to investigate the creation of a riverbank reserve. Completed
“Ownership” of, and hence a sense of responsibility with, environmental issues is fostered within the community. <ul style="list-style-type: none"> Democratic Processes. Environmental Services (Planning and Development). 	Work with the Department of Conservation.	Actively support the Department of Conservation's Summer Nature Programme.
A good, clean water supply is maintained. <ul style="list-style-type: none"> Drainage and Utility Services (Water). Environmental Services (Planning and Development/ Environmental Health). 	Monitor water quality.	Liaise with Environment Waikato.
The community is enhanced through appropriate plantings. <ul style="list-style-type: none"> Community Services (Parks and Reserves). 	Review landscape plan.	Review of landscape plan.
	Development of Otorohanga domain.	Review reserve management plan and tie in with development of the Kiwi House. Underway

OUTCOMES	STRATEGIES	SPECIFIC ACTIONS
The community is working towards producing zero waste to landfill by 2010. <ul style="list-style-type: none"> Drainage and Utility Services (Solid Waste). 	Implementation of existing Zero Waste Strategy.	As per Zero Waste Strategy.
Footpath and other walking areas are safe for pedestrians. <ul style="list-style-type: none"> District Roding. 	Continue funding new footpaths and footpath replacements.	Ongoing
	Develop better defined priority system for allocating funding.	Ongoing
Pedestrians' and motorists' safety in the main street is addressed. <ul style="list-style-type: none"> District Roding. 	Review main street safety.	Review completed
The concept of sustainable environmental management is promoted. <ul style="list-style-type: none"> Environmental Services (Planning and Development). 	Fundamentally entwined with Resource Management requirements.	Ongoing

Social

Foster a sense of social responsibility within the Otorohanga community. <ul style="list-style-type: none"> Council Grants. 	Support Whare Awhina.	Ongoing
The community participates fully in decision-making. <ul style="list-style-type: none"> Democratic Processes. 	Promote consultation on issues of importance.	Use Special Consultative process where issues are significant and/or contentious.
The community values life-long learning. <ul style="list-style-type: none"> Democratic Processes. Community Services (Library). 	Maintain and extend tertiary learning opportunities.	Work with Wintec and others (e.g. College) to offer classes in Otorohanga. Completed
	Encourage tertiary education participation.	Work with Wintec and others (e.g. College) to offer classes in Otorohanga. Completed
	Develop learning courses in life skills, parenting etc.	Liaise with College.
	Link youth with local businesses, access to drivers licences etc.	Liaise with Wintec and Development King Country.

OUTCOMES	STRATEGIES	SPECIFIC ACTIONS
	Encourage greater use of the library.	Develop a calendar of events / promotions.
Services are provided for youth. <ul style="list-style-type: none"> Democratic Processes. Community Services (Swimming Pool/ District Sports Co-ordinator Scheme). 	A range of options, including a youth forum.	Create a youth forum. Completed
Otorohanga is a safe environment to live and play. <ul style="list-style-type: none"> Environmental Services (Dog Control). District Roding. 	Review main street safety.	Review undertaken
	Safe access over the railway line to Progress Park.	Engineers to investigate options (pedestrian overpass etc).
	Improve bypass access for heavy vehicles.	Engineers to investigate.
	Enforce traffic bylaws.	Implement parking enforcement.
	Enforce dog control and provide a dog exercise area.	Create a new dog exercise area. Completed
All residents have equal access to services and facilities. <ul style="list-style-type: none"> Environmental Services (Building Control). Democratic Processes. District Roding. 	Implement the Disability Strategy 2001.	Investigate the implications.
	Promotion of parallel health and social services.	Refer to Regional Co-ordinator.
	Provide low cost bus service to Te Kuiti or Te Awamutu.	Discuss with Environment Waikato (passenger transport).
	Maintain high standard of roading.	Status quo.
	Provide a postbox on Gradara Avenue / Mountain View Road.	Refer to NZ Post.
Zero tolerance to drugs is promoted in Otorohanga. <ul style="list-style-type: none"> Democratic Processes. 	Develop a zero tolerance strategy.	Refer to Regional Co-ordinator.

OUTCOMES	STRATEGIES	SPECIFIC ACTIONS
<i>Cultural</i>		
Our identity is preserved and fostered. This includes our Māori and Pakeha inheritance and recognition of all cultures and religions. <ul style="list-style-type: none"> Other Activities (District Promotion, Development and Tourism). Environmental Services (Planning and Development). Community Services (Parks and Reserves). 	Hold "I am Otorohanga, Otorohanga is me" events.	Support Kiwiana festival through Otorohanga District Development Board. Completed
	Identify, mark and preserve sacred and historic sites.	Support Archaeological Society Survey programme.
	Preserve the historic Huiputea Tree area.	Liaise with Nehenehenui over possible maintenance options.
Tangata Whenua (local residents/ people [of the land]) are recognised and the community's commitment to Te Tiriti o Waitangi (the Treaty of Waitangi) is acknowledged. <ul style="list-style-type: none"> Democratic Processes. 	Promote Māori language.	Encourage Council staff to learn Te Reo Māori.
	Promote the community's awareness of Māori culture.	Invite Kaumatua to open and close community events.
An historic tourist route is developed and promoted. <ul style="list-style-type: none"> District Roding. 	Develop an historic tourist route.	Discuss with Otorohanga Historical Society.
Our cultural festivals are recognised. <ul style="list-style-type: none"> Other Activities (Council Grants). 	Recognise cultural festivals.	Support festivals through Otorohanga District Development Board contract. Completed
Otorohanga has a strong and vibrant arts community. <ul style="list-style-type: none"> Democratic Processes. 	Develop an arts forum.	Promoted through Creative NZ.
	Establish an arts competition.	Utilise arts forum group (above).

Kawhia Community Outcomes

OUTCOMES	STRATEGIES	SPECIFIC ACTIONS
<i>Economic</i>		
Kawhia remains affordable to the average New Zealander. <ul style="list-style-type: none"> Environmental Services (Planning and Development). 	Keep rates down by encouraging development that will complement Kawhia.	Develop a structure plan for Kawhia.
Employment and business opportunities are increased and enhanced, and people in Kawhia benefit from these. <ul style="list-style-type: none"> Democratic Processes. Other Activities (District Promotion, Development and Tourism). District Roding. Environmental Services (Planning and Development). 	Develop target markets for tourism (fishing, eco-tourism, historic).	Refer to Otorohanga District Development Board through Tourism Strategic Plan.
	Improve recreational facilities (fishing, sailing, boating and water skiing).	Enhance availability of boat ramp and boat park.
	Develop commercial marine farming.	Incorporated into Otorohanga District Development Board contract through Economic Development Strategy.
	Develop affordable freehold sections for Kawhia to grow.	Develop a structure plan for Kawhia.
	Ensure that local people are employed where possible.	Refer to Regional Co-ordinator.
	Continually update our website.	Incorporated into Otorohanga District Development Board contract through Economic Development Strategy.
	Maintain and update a community information board.	Refer to Otorohanga District Development Board and Kawhia Tourism.
	Have an information centre for visitors.	Refer to Otorohanga District Development Board as part of Tourism Strategic Plan. Completed
	Have an ATM machine.	Discussed with banks by Otorohanga District Development Board. Declined. Completed

OUTCOMES	STRATEGIES	SPECIFIC ACTIONS
<p>A balance of sustainable economic development appropriate to this area is achieved without over commercialisation.</p> <ul style="list-style-type: none"> Other Activities (District Promotion, Development and Tourism). 	Promote tourism (visitors) in a manner which does not compromise Kawhia.	<p>Refer to Otorohanga District Development Board as part of Tourism Strategic Plan.</p> <p>Completed</p>

Environment

<p>The harbour and surrounds be cleaned up, preserved and protected (similar to the Raglan harbour care project).</p> <ul style="list-style-type: none"> Community Services (Parks and Reserves). Environmental Services (Planning and Development). 	Development of a harbour management plan.	<p>Liaise with Environment Waikato and Waitomo District Council to commence preparation of a harbour management plan.</p> <p>Underway</p>
	Investigate options for development of the area between the garage and the museum.	Prepare options & issues report.
<p>Fish stocks in the harbour are replaced.</p> <ul style="list-style-type: none"> Democratic Processes. Environmental Services (Environmental Health). 	Maintain a healthy harbour for eco-tourism and economic gain.	<p>Liaise with Environment Waikato and Waitomo District Council to commence preparation of a harbour management plan.</p> <p>Underway</p>
<p>Infrastructure is adequate to deal with environmental issues from any development.</p> <ul style="list-style-type: none"> Drainage and Utility Services (Solid Waste, Water, Waste Water). Environmental Services (Environmental Health/ Planning and Development). Community Services (Parks and Reserves). District Roding. Democratic Processes. 	Address sewage problems.	Develop a structure plan for Kawhia.
	Consider the introduction of a reticulated sewerage system.	Investigate the Sanitary Works Subsidy Scheme.
	Ensure that Kawhia's septic tank systems are consistent with Environment Waikato policy.	Ongoing
	Have adequate public toilets, parking and bi-lingual signage in place.	<p>Upgrade Jervois Street toilets.</p> <p>Completed</p>
	Council to have a water management plan.	Investigate water sources, quantity and quality.
	Work towards undergrounding power lines.	Develop a structure plan for Kawhia.
	Have a green waste only dump station, a recycling depot etc.	<p>Redevelop transfer station facilities.</p> <p>Completed</p>

OUTCOMES	STRATEGIES	SPECIFIC ACTIONS
	Improve roading in and to Kawhia.	Continue roading improvements and liaise with Land Transport New Zealand.
Appropriate environmental guidelines and controls are in place for Kawhia and they are enforced. <ul style="list-style-type: none"> Environmental Services (Planning and Development). 	Review planning documents to ensure environmental controls are appropriate.	Develop a structure plan for Kawhia.

Social

All public open spaces are preserved, enhanced and made accessible to the public 24 hours a day. <ul style="list-style-type: none"> Community Services (Parks and Reserves). 	Continue the development of public reserves in Kawhia.	Implement development options (such as those listed in the Kawhia Community Outcomes document).
A better area for boating is developed. <ul style="list-style-type: none"> Other Activities (Other Property). 	Develop boat parking and boat ramp, including introduction of fees.	Enhance availability of boat ramp and boat park.
Visual and performing arts and music are catered for. <ul style="list-style-type: none"> Democratic Processes. 	Visual and performing arts and music included in recreational and leisure activities.	Promoted through Creative NZ.
There is an adequate range of health and well-being, youth and adult social services provided in Kawhia. <ul style="list-style-type: none"> Democratic Processes. Community Services (District Sport). Other Activities (District Promotion, Development and Tourism). District Roothing. Environmental Services (Planning and Development). 	Develop health and well-being services.	Refer to Sport Waikato and Regional Co-ordinator.
	Support, enhance and promote social support services for youth.	Create a youth forum.
	Develop social services for adults, including the elderly.	Refer to Regional Co-ordinator.
	Encourage Broadband access.	Support Project Probe.
	Improve the community hall.	Establish a Hall Committee. Completed
	Promote events with a greater Māori emphasis.	Support Kai Festival through Otorohanga District Development Board contract. Ongoing

OUTCOMES	STRATEGIES	SPECIFIC ACTIONS
	Bilingual street signs.	Māori Queen's logo used on street signs. Completed
	Identify, mark and preserve sacred and historic sites.	Support Archaeological Society Survey programme.
A town theme is developed based upon Kawhia's unique historical, environmental and "Kiwi bach" culture, in order to maintain its unique individuality and culture. <ul style="list-style-type: none"> Democratic Process. Other Activities (Council Grants). 	Development of a town theme.	Refer to Otorohanga District Development Board through Tourism Strategic Plan.
	Investigate supporting the existing culture through changes to the District Plan.	Develop a Structure Plan for Kawhia.

Cultural

The Māori character of Kawhia is recognised and enhanced. <ul style="list-style-type: none"> Other Activities (District Promotion, Development and Tourism). District Roding. Environmental Services (Planning and Development). 	Promote events with a greater Māori emphasis.	Support Kai Festival through Otorohanga District Development Board contract. Completed
	Bilingual street signs.	Māori Queen's logo used on street signs. Completed
	Identify, mark and preserve sacred and historic sites.	Support Archaeological Society Survey programme.
A town theme is developed based upon Kawhia's unique historical, environmental and "Kiwi bach" culture, in order to maintain its unique individuality and culture. <ul style="list-style-type: none"> Other Activities (District Promotion, Development and Tourism). Environmental Services (Planning and Development). 	Development of a town theme.	Refer to Otorohanga District Development Board through Tourism Strategic Plan.
	Investigate supporting the existing culture through changes to the District Plan.	Develop a Structure Plan for Kawhia.

OUTCOMES	STRATEGIES	SPECIFIC ACTIONS
Wahi Tapu sites should be identified and protected. This includes historically significant sites for all cultures. <ul style="list-style-type: none"> Democratic Processes. Environmental Services (Planning and Development). 	Meet regularly with marae committees.	Continue existing programme of meetings.
	Identify, mark and preserve sacred and historic sites.	Liaise with the Historic Places Trust and local Iwi and incorporate in reviewed District Plan. Support Archaeological Society Survey programme.
Our children are able to experience the culture of rural and coastal life fully. <ul style="list-style-type: none"> Environmental Services (Planning and Development). 	Protect the unique characteristics of Otorohanga's coastal and rural environment.	Prepare a Kawhia and Aotea harbour management plan. Underway
That all cultural celebrations are recognised. <ul style="list-style-type: none"> Other Activities (District Promotion, Development and Tourism). Other Activities (Council Grants). 	Support Kiwiana and Kawhia Kai festivals.	Incorporated into Otorohanga District Development Board contract through Tourism Strategy.
	Promote Māori language.	Encourage Council staff to learn Te Reo Māori.

Rural Community Outcomes

OUTCOMES	STRATEGIES	SPECIFIC ACTIONS
<i>Economic</i>		
That farming and rural activities are recognised and promoted as the major sustainable economic base of the District. <ul style="list-style-type: none"> Democratic Processes. 	Update the Otorohanga website to reflect this Outcome.	Update the Otorohanga website.
Ongoing work is undertaken to improve the safety and efficiency of the roading network. <ul style="list-style-type: none"> District Roding. 	That the rate of roading improvement is in keeping with economic development.	Maintain funding for roading improvements at a sustainable level.
	Undertake future proofing to accommodate roading needs.	Identify locations where development has the potential to compromise roading.
	Have a stock droving bylaw.	Review and update the Stock Droving Bylaw.
That other economic activities are recognised and promoted as major contributors to the economy of the District. <ul style="list-style-type: none"> Other Activities (District Promotion, Development and Tourism). 	Develop opportunities for training in tourism, forestry and fishing.	Refer to Otorohanga District Development Board as part of Tourism and Economic Development Strategic Plan.
That lifestyle blocks, particularly surrounding the urban areas, are managed to ensure that they do not conflict or inhibit existing rural activities. <ul style="list-style-type: none"> Environmental Services (Planning and Development). 	Forward planning is undertaken to ensure population growth and economic activity are well managed and balanced with existing rural activities.	Consider forward planning issues with the review of the District Plan.
	That the requirements in the District Plan for relocatable dwellings be enforced.	Enforce District Plan provisions regarding relocatable dwellings.
That facilities and services are monitored and improved in the rural and farming environment. <ul style="list-style-type: none"> Drainage and Utility Services (Water). Democratic Processes. 	Advocate for school bus services to be continued.	Refer to Regional Co-ordinator.
	Continuous improvement of phone and internet services.	Support Project Probe.
	Council continues to administer rural water schemes.	Continued administration of rural water schemes.

OUTCOMES	STRATEGIES	SPECIFIC ACTIONS
<i>Environment</i>		
That land-use is sustainable. <ul style="list-style-type: none"> Environmental Services (Planning and Development). 	Monitor subdivision and use of rural and coastal land.	Incorporate with review of the District Plan.
Enhance our clean, green image. <ul style="list-style-type: none"> Democratic Processes. Drainage and Utility Services (Solid Waste). 	Encourage rural recycling.	Add additional rural recycling stations.
	Adhere to Council's Zero-waste philosophy.	Adhere to Council's zero-waste philosophy.
	Encourage schools to use Council's Zero-waste educational resources.	Promote zero-waste to schools from time to time.
	Educate people to use recycling stations and promote their usage.	Undertake educational activities from time to time.
	Encourage the appropriate disposal of farm waste, including hazardous drums, plastics and wraps, and green waste.	Undertake educational activities from time to time.
The rural environment is not a dumping ground. <ul style="list-style-type: none"> Environmental Services (Environmental Health). 	Discourage roadside dumping.	Prosecute those associated with roadside dumping.
That our estuaries, harbours, waterways and wetlands are protected. <ul style="list-style-type: none"> Democratic Processes. Environmental Services (Planning and Development). 	Manage our water catchments.	Refer to Environment Waikato.
	Maintain water standards at a high standard.	Refer to Environment Waikato.
	Minimise stream degradation and erosion.	Refer to Environment Waikato.
	Encourage sustainable riparian management.	Refer to Environment Waikato.
	Encourage good sustainable farming practices.	Refer to Environment Waikato.
That our countryside receives a high level of protection. <ul style="list-style-type: none"> Democratic Processes. Community Services (Parks and Reserves). Drainage and Utility Services (Waste Water). 	A flood protection / control system is in place.	Refer to Environment Waikato.
	Have more policing / control of noxious weeds.	Refer to Environment Waikato.
	Manage our sewage / effluent disposal.	No specific action required.
	Protect and promote our parks and reserves.	Refer to Regional Co-ordinator

OUTCOMES	STRATEGIES	SPECIFIC ACTIONS
<ul style="list-style-type: none"> Drainage and Utility Services (Flood Protection / Stormwater / Land Drainage). Environmental Services (Environmental Health/ Planning and Development). 	Protect our biodiversity including indigenous species and habitats.	Refer to Environment Waikato.
	Encourage the protection and fencing off of native vegetation, and covenanting and landscaping.	Refer to Environment Waikato.
That the community recognises the natural, historical or outstanding landscapes that are protected by landowners. <ul style="list-style-type: none"> Democratic Processes. 	Establish a contestable fund for the protection of natural and historical areas and outstanding landscapes.	Investigate the establishment of a Council administered contestable fund.
That Kawhia and Aotea Harbours are acknowledged to be unique environments. <ul style="list-style-type: none"> Environmental Services (Planning and Development). 	Regulate, monitor and police vehicles on beaches and public reserves.	Prepare a Kawhia and Aotea harbour management plan. Underway
That good animal welfare practices are encouraged. <ul style="list-style-type: none"> Democratic Processes. 	Consider animal welfare needs, including shade and water for goats on the side of the road.	Discuss with SPCA.

Social

That education facilities meet our needs. <ul style="list-style-type: none"> Democratic Processes. Other Activities (Other Property). 	Provide local primary, secondary and tertiary education facilities.	Work with Wintec and others (e.g. College) to offer classes in Otorohanga. Completed
	Opportunities need to be provided to keep young people in the District.	Create a youth forum. Achieved
That our essential services are protected. These include health, education, police, rural fire, social services and communications. <ul style="list-style-type: none"> Democratic Processes. Support Services. 	Lobby for an increased Police presence and an improved 111 service.	Refer to Regional Co-ordinator.
	Plan for our ageing population.	Refer to Regional Co-ordinator.
	Maintain rural infrastructure.	Support Project Probe.
Maintain / promote the population in rural areas. <ul style="list-style-type: none"> Democratic Processes. 	Improve and promote public transport.	Discuss with Environment Waikato.
	Maintain rural halls and explore other uses for them.	Undertake a review of rural halls.

OUTCOMES	STRATEGIES	SPECIFIC ACTIONS
That rural activities take precedence in the rural area. <ul style="list-style-type: none"> Democratic Processes. Environmental Services (Planning and Development). Support Services. 	Rural risks need to be considered when land is being subdivided.	Consider forward planning issues with the review of the District Plan.
	Biosecurity controls need to be enforced.	Refer to Environment Waikato.
	Building covenants and LIM reports should acknowledge the presence of rural activities.	Review LIMs.
That sporting / recreation facilities are available and affordable for people to use. <ul style="list-style-type: none"> Community Services (District Sports Co-ordinator Scheme). Community Services (Swimming Pool). 	Encourage the use of sporting / recreational facilities.	Refer to Sport Waikato.
That rural communities are aware of civil defence procedures. <ul style="list-style-type: none"> Environmental Services (Civil Defence). 	Ensure that local communities can cope with Civil Defence emergencies in the first instance.	Refer to Waikato Valley Emergency Operating Area.

Cultural

Wahi Tapu sites should be identified and protected. This includes historically significant sites for all cultures. <ul style="list-style-type: none"> Democratic Processes. Environmental Services (Planning and Development). 	Meet regularly with marae committees.	Continue existing programme of meetings.
	Identify sites to be protected.	Liaise with the Historic Places Trust and local Iwi and incorporate in reviewed District Plan.
Our children are able to experience the culture of rural and coastal life fully. <ul style="list-style-type: none"> Environmental Services (Planning and Development). 	Protect the unique characteristics of Otorohanga's coastal and rural environment.	Prepare a Kawhia and Aotea harbour management plan. Underway
That all cultural celebrations are celebrated. <ul style="list-style-type: none"> Other Activities (District Promotion, Development and Tourism). Support Services. 	Support Kiwiana and Kawhia Kai festivals.	Incorporated into Otorohanga District Development Board contract through Tourism Strategy.
	Promote Māori language.	Encourage Council staff to learn Te Reo Māori.

Appendix 2 – Fees and Charges

SCHEDULE OF FEES AND CHARGES

All Fees include GST

ROADING

TEMPORARY ROAD CLOSURE COSTS

Approved Community Events

The Event is being organised by a non-commercial, not-for-profit organisation

The Event is appropriate for all members of the Community to enjoy
The Event have had event at least annually for 3 years

e.g. Fishing Contest, Christmas Parade, Kawhia Regatta, Targa, Kai Festival

Application - Local Roads

Application Fee

External Advertising

2005

2006

-
No Charge
Actual costs

No Charge
Actual costs

Other Events - Sealed Roads (Rally's, Hill Climbs, Car Testing, Cycle Races etc)

(Each application will be considered on its merits)

Application fee for administering the Road closure

External Advertising

\$400.00
Actual costs

\$400.00
Actual costs

Other Events - Unsealed Roads (Rally's, Hill Climbs, Car Testing, Cycle Races etc)

(Each application will be considered on its merits)

Application fee for administering the Road closure and Damage assessment

Plus, Bond (per road per day, unsealed roads only)

External Advertising

Reimbursement

\$2,000.00

\$2,000.00

\$2,000.00

\$2,000.00

Actual costs
Actual Costs

Actual costs
Actual Costs

STOCK DROVING

Drovers Day Permit

Non-Refundable Fee

Refundable Bond (Costs or expenses covered by droving)

\$140.00

\$140.00

\$550.00

\$550.00

Construction of a cattle race on a road reserve

Application Fee

\$140.00

\$140.00

Installation of a road crossing for dairy cattle

Application Fee

\$140.00

\$140.00

Cattle Underpass

Refundable Bond (To ensure satisfactory completion of the work)

\$1,000.00

\$1,000.00

KERB / FOOTPATH CROSSING BOND

Bond as a deposit toward repair of any damage that may be caused to footpath / kerb and channel crossing during construction

\$750.00

\$1,000.00

A deposit toward the cost of construction of a new kerb crossing. (Adj. at completion of work to actual cost)

\$1,000.00

\$1,000.00

OR

A bond where a new crossing will be installed by a preapproved Contractor directly by the owner

\$1,000.00

\$1,000.00

DRAINAGE AND UTILITY SERVICES

WATER CONNECTION CHARGES

(RURAL WATER SUPPLIES ONLY)

Connection Fee

		2005	2006
Arohena	Capital Contribution	Set on	Set on
	Connection Costs	Application	Application
	Administration Fee	Actual	Actual
		\$300.00	\$300.00
Ranginui	Capital Contribution	Set on	Set on
	Connection Costs	Application	Application
	Administration Fee	Actual	Actual
		\$300.00	\$300.00
Tihiroa	Capital Contribution	Set on	Set on
	Connection Costs	Application	Application
	Administration Fee	Actual	Actual
		\$300.00	\$300.00
Waipa	Capital Contribution	\$45 per k LV	\$45 per k LV
	Connection Costs	Actual	Actual
	Administration Fee	\$302.00	\$302.00
Special Meter reading fee		\$90.00	\$90.00

Otorohanga Community

OTOROHANGA RECYCLING CENTRE FEES

Rubbish

Official Bag	<i>Each</i>	Free	Free
Bag	<i>Each</i>	\$2.00	\$2.00
Truck and other	<i>Per m³</i>	\$80.00	\$80.00

Cleanfill/Greenwaste

Car boot load			
– Lawn Clippings	<i>Per load</i>	\$5.00	\$5.00
– Weeds	<i>Per load</i>	\$5.00	\$5.00
– Branches		\$5.00	\$5.00
Van/ ute / trailer/ station Wagon			
– Lawn Clippings	<i>Per load</i>	\$8.00	\$8.00
– Weeds	<i>Per load</i>	\$15.00	\$15.00
– Branches	<i>Per m³</i>	\$12.00	\$12.00
Truck etc			
– Lawn Clippings	<i>Per m³</i>	\$8.00	\$8.00
– Weeds	<i>Per m³</i>	\$15.00	\$15.00
– Branches		\$12.00	\$12.00
Car bodies			
Whiteware	<i>each</i>	\$15.00	\$15.00
Drop off sorted recyclables	<i>Drum</i>	Free	Free
Unsorted Recyclables		\$5.00	\$5.00
Plastic Milk Bottles, Soft Drink (1&2),		Free	Free
Steel Cans (Washed and Squashed)			
Aluminium Cans, Paper (Non Food),		Free	Free
Cardboard (Non Food/Flattened)			
Batteries	<i>Each</i>	\$2.00	\$2.00
Car Tyres	<i>Each</i>	\$10.00	\$10.00
Computers	<i>Each</i>	\$15.00	\$15.00
Dirt / Concrete	<i>Item (small)</i>	\$5.00	\$5.00
Dirt / Concrete	<i>Trailer</i>	\$25.00	\$25.00
Electric Motors	<i>Each</i>	\$5.00	\$5.00
Scrap Steel	<i>Item (small)</i>	\$5.00	\$5.00
Scrap Steel	<i>Trailer</i>	\$25.00	\$25.00
Television	<i>Each</i>	\$25.00	\$25.00
Toasters/ Kettles	<i>Each</i>	\$2.00	\$2.00
Video Recorders	<i>Each</i>	\$5.00	\$5.00
Clean Reuseable Timber	<i>Each</i>	Free	Free
Firewood Timber	<i>Trailer</i>	\$10.00	\$10.00
Timber to be dumped	<i>Trailer</i>	\$55.00	\$55.00

TRADE WASTE

(Trade Waste By Law)

	2005	2006
Application Fee	<i>All Classes</i> \$100.00	\$100.00
Controlled Consents	<i>1 yearly fee</i> \$120.00	\$120.00
Controlled Consents	<i>3 yearly fee*</i> \$240.00	\$240.00

Conditional Consents

(Set on Application-Refer to By Law)

Discharge of Septic Tank

Domestic Septic Effluent(Within District)	<i>Per m³*</i>	\$2.70	\$2.70
Domestic Septic Effluent(Outside District)	<i>Per m³*</i>	\$12.00	\$12.00

* Conditions Apply

WATER CONNECTION CHARGES

Application Fee Within Otorohanga Community

Application fee	\$100.00	\$100.00
Standard Domestic Connection (for 20 / 25mm service within 4.0m of the watermain) if by ODC contractor	\$878.00	\$878.00

All other connections

Fixed price quote to be provided by Council approved Contractor

Application Fee - Outside Otorohanga Communities

Application fee	\$100.00	\$100.00
Capital Contribution	\$1,500.00	\$1,500.00
Standard Domestic Connection	<i>per month (min \$270.00)</i>	Fixed price quote to be provided by Council approved Contractor

Extraordinary Use

Right to withdraw from Fire Hydrant	\$45.00	\$45.00
-------------------------------------	---------	---------

SEWER CONNECTION FEE

Within Otorohanga Community

Application fee	\$120.00	\$120.00
Connection	Fixed price quote to be provided by Council approved Contractor	

Outside Otorohanga Community

Application fee	\$120.00	\$120.00
Capital Contribution	\$1,500.00	\$1,500.00
Connection	Fixed price quote to be provided by Council approved Contractor	

* Note: Connections into Councils reticulation can be made by other approved contractors subject to Councils terms and conditions. In these cases the applicant is liable for the application fee and capital contribution (if applicable) only.

Kawhia Community

KAWHIA RECYCLING CENTRE

Rubbish

Official Bag	<i>Each</i>	Free	Free
Bag	<i>Each</i>	\$2.00	\$2.00
Car boot load	<i>Per load</i>	\$5.00	\$5.00
Van / ute / trailer	<i>Per m³</i>	\$25.00	-
Van/Utility	<i>Each</i>	-	\$33.00
Small Trailer	<i>Each</i>	-	\$25.00

Truck, Large Trailers and other

	<i>Per m³</i>	\$45.00	\$25.00
--	--------------------------	---------	---------

Cleanfill/Greenwaste

Car boot load			
- Lawn Clippings	<i>Per load</i>	\$5.00	\$5.00
- Weeds	<i>Per load</i>	\$5.00	\$5.00
- Branches	<i>Per load</i>	\$5.00	\$5.00
Van/ ute / trailer/ station wagon			
- Lawn Clippings	<i>Per load</i>	\$8.00	\$8.00
- Weeds	<i>Per load</i>	\$15.00	\$15.00
- Branches	<i>Per m³</i>	\$12.00	\$12.00
Truck etc			
- Lawn Clippings	<i>Per m³</i>	\$8.00	\$8.00
- Weeds	<i>Per m³</i>	\$15.00	\$15.00
- Branches	<i>Per m³</i>	\$12.00	\$12.00
Car bodies Not currently accepted		-	-
Whiteware	<i>Each</i>	\$15.00	\$15.00

		2005	2006
Drop off sorted recyclables		Free	Free
Unsorted Recyclables	Drum	\$5.00	\$5.00
Plastic Milk Bottles, Soft Drink (1&2), Steel Cans (Washed and Squashed)		Free	Free
Aluminium Cans, Paper (Non Food), Cardboard (Non Food/Flattened)		Free	Free
Batteries	Each	\$2.00	\$2.00
Car Tyres	Each	\$10.00	\$10.00
Computers	Each	\$15.00	\$15.00
Dirt / Concrete	Item (small)	\$5.00	\$5.00
Dirt / Concrete	Trailer	\$25.00	\$25.00
Electric Motors	Each	\$5.00	\$5.00
Scrap Steel	Item (small)	\$5.00	\$5.00
Scrap Steel	Trailer	\$25.00	\$25.00
Television	Each	\$25.00	\$25.00
Toasters/ Kettles	Each	\$2.00	\$2.00
Video Recorder	Each	\$5.00	\$5.00
Clean Reuseable Timber	Each	Free	Free
Firewood Timber	Trailer	\$10.00	\$10.00
Timber to be dumped	Trailer	\$55.00	\$55.00
WATER CONNECTION CHARGES			
Application Fee Within Kawhia Community			
Application Fee		\$100.00	\$100.00
Standard Domestic Connection (for 20 / 25mm service within 4.0m of the watermain)		\$878.00	\$878.00
All other connections		Fixed price quote to be provided by Council approved Contractor	
Application Fee Outside Kawhia Communities			
Application fee		\$100.00	\$100.00
Capital Contribution		\$1,500.00	\$1,500.00
Standard Domestic Connection	Approved Contractor	Quote	Quote
Extraordinary Use			
Right to withdraw from fire hydrant	per mth (min \$270)	\$45.00	\$45.00

COMMUNITY SERVICES

Otorohanga Community CEMETERY

	2005	2006
Plots		
Adults	\$500.00	\$500.00
Children	\$100.00	\$100.00
Columbarium (Ash Wall) and Ash Berm	\$200.00	\$200.00
Interment		
Adults	\$675.00	\$725.00
Extra Depth	\$700.00	\$750.00
Child 11yrs and under	\$450.00	\$450.00
Stillborn	\$100.00	\$100.00
Columbarium (inc. Council installation of plaque and interment)	\$200.00	\$250.00
Columbarium (inc. Own installation of plaque and interment)	\$50.00	\$100.00
Additional Fees		
Saturday, Sunday and Statutory Holidays	\$100.00	\$150.00
Breaking Concrete	\$60.00	\$75.00
Extracts from cemetery plans and records	nil	nil

LIBRARY

GOLD CARD

	2005	2006
Free New Fiction, Magazines, General Fiction, Non Fiction, Children's Books, Large Print	<i>per card</i>	\$30.00
Renewal - New fiction and selected popular non fiction	<i>per renewal</i>	\$2.00
Renewal - New Magazines	<i>per renewal</i>	\$1.00
Overdue Charges	<i>per day after 3 weeks</i>	\$0.20
Book Reserve Fee	<i>per item</i>	\$0.50

STANDARD CARD

Free Fiction, Non Fiction, Large Print, Children's Books		
New Books (Fiction and selected popular non-fiction) (All Issues)	<i>per book</i>	\$2.00
Non Fiction and Large Print	<i>per book</i>	NIL
Renewal - New fiction and selected popular non fiction	<i>per book</i>	\$2.00
New Magazines (6 months only)	<i>per magazine</i>	\$1.00
Renewal - New Magazines	<i>per magazine</i>	\$1.00
Overdue Charges	<i>per day after 3 weeks</i>	\$0.20
Book Reserve Fee		\$0.50
Book Rentals (Adults, Fiction, Non Fiction and Large Print)		
New Books (Fiction) (All Issues) (6 months only)	<i>per book</i>	\$1.00 Card Option
Over 6 months	<i>per book</i>	\$0.50 Card Option
Non Fiction and Large Print	<i>per book</i>	NIL Card Option
Renewal Charge (new fiction books only) (6 months)	<i>per book</i>	\$0.50 Card Option
OR		
Membership Cards (Covers all Fiction over 6 months old and Non Fiction and Large Print)	<i>per annum</i>	\$25.00 Card Option

Other Fees & Charges

Internet Fees	<i>per half hour</i>	\$5.00	\$5.00
Internet Fees (Minimum Charge)		\$2.50	\$2.50
Sale of Books	<i>per book</i>	\$0.50	\$0.50
Lost Books	Cost	replacement cost	replacement cost
Fines	<i>per day after 3 weeks</i>	\$0.20	Card Option
Book Reserve Fee	<i>per book</i>	\$0.50	Card Option
Photocopying	<i>per copy</i>	\$0.20	\$0.20
New Magazines	<i>per magazine</i>	\$1.00	Card Option
Magazines Over 6 months old	<i>per magazine</i>	\$0.50	Card Option
Videos	<i>per video (per week)</i>	\$2.50	\$2.50
Out of district membership fee	<i>per annum</i>	NIL	\$60.00

LIBRARY MEETING ROOM

Hire During Day (7.00am to 6.00pm)

Outside	<i>initial hour</i>	\$40.00	\$40.00
	<i>each additional hour or part there of</i>	\$20.00	\$20.00
Local	<i>initial hour</i>	\$20.00	\$20.00
	<i>each additional hour or part there of</i>	\$10.00	\$10.00
Bond		\$100.00	\$100.00

Hire During Evening (6.00pm to 1.00am)

Social Function	\$100.00	\$100.00
Meeting (Local)	\$40.00	\$40.00
Other	\$60.00	\$60.00
Bond	\$100.00	\$100.00

SWIMMING POOLS

Admission

Adults	\$2.50	\$2.50
Children (Up to 16 years)	\$1.50	\$1.50
Children (Under 4 years)	\$0.50	\$0.50
Students (With I.D)	\$1.50	\$1.50
P.W.D	\$1.50	\$1.50
Seniors	\$1.50	\$1.50
Spectators	Free	Free

Concession

Family Day Pass (2 adults, 3 children)	\$7.00	\$7.00
Adult (10 swim)	\$22.50	\$22.50
Child (10 swim)	\$10.00	\$10.00
Senior (10 swim)	\$10.00	\$10.00
Family (2 month pass)	\$50.00	\$50.00
Key to Fitness	\$35.00	-
Aquacise Pass (Public)	\$31.50	\$31.50
Aquacise Pass (Senior)	\$27.00	\$27.00

Pool Hire	2005	2006
Within Otorohanga – per hour	\$27.00	\$22.50
Outside Otorohanga – per hour	\$35.00	\$35.00

Kawhia Community CEMETERY

Plots		
Adults	\$400.00	\$600.00
Children	\$100.00	\$100.00
Ash Wall	\$200.00	\$250.00

Interment

Adults	\$675.00	\$725.00
Extra Depth	\$700.00	\$750.00
Children 11 years and under	\$450.00	\$450.00
Stillborn	\$100.00	\$100.00
Ash wall (including installation of plaque)	\$200.00	\$250.00

Additional Fees

Saturday, Sunday & Statutory Holidays	\$100.00	\$150.00
Breaking Concrete	\$60.00	\$75.00
Extracts from Cemetery Plans and Records	nil	nil

KAWHIA WHARF

Shed Rentals

NZ Steel	\$1,040.00	\$1,040.00
Other Sheds	\$650.00	\$850.00
Power Charge	per shed connected \$168.75	\$168.75

Berthage

NZ Steel	\$1,040.00	\$1,040.00
Other Permanent Users	\$700.00	\$850.00
Casual	per day \$40.00	\$50.00

ENVIRONMENTAL SERVICES

RESOURCE MANAGEMENT FEES

2005 2006

All references are to the Resource Management Act 1991 unless specified otherwise

Notes to Payment Of Charges

All the deposits and specified amounts are payable in advance. Pursuant to Section 36 (7) of the Resource Management Act 1991 Council need not perform the action to which the charge relates until the charge has been paid to it in full.

An additional charge may be required under Section 36 (3) where the set charge is inadequate to enable Council to recover its actual and reasonable costs relating to any particular application.

Deposits made will be non-refundable

Application For Change To District Plan

\$5,500.00 \$5,500.00

Deposit payable on receipt of the application with the balance of Council's costs recoverable on an actual and reasonable basis.

Staff time will be calculated at the hourly rate of

\$90.00

Staff time will be calculated at an

-

hourly rate from 1st July 2006

-

Actual Time

Receiving And Processing Notified Applications for Resource Consent (Landuse and Subdivision)

This category includes the following:

- Controlled activities
- Discretionary activities
- Non-complying activities
- Extension of consent periods (Section 125)
- Change or cancellation or consent condition (Section 127)

	2005	2006
Deposit payable on receipt of the application with the balance of Council's costs recoverable on an actual and reasonable basis.	\$1,200.00	\$2,000.00
Staff time will be calculated at the hourly rate of	\$90.00	-
Staff time will be calculated at an hourly rate from 1st July 2006	-	Actual Time
In addition to staff time, a charge shall be payable by the applicant per half day of hearing meeting held or part thereof and site visit by hearing Committee	\$400.00	\$400.00
Limited Notified Application	deposit	\$1,500.00
Receiving And Processing Non-Notified Applications for Resource Consent (Landuse)		
This category includes the following		
– Controlled activities		
– Discretionary activities		
– Non-complying activities		
– Extension of consent periods (Section 125)		
– Change or cancellation or consent condition (Section 127)		
Relocatable dwellings and small signs	standard fee	\$400.00 plus mileage
		\$400.00
Other - Deposit payable on receipt of the application with the balance of Council's costs recoverable on an actual and reasonable basis.	\$500.00	\$500.00
Staff time will be calculated at the hourly rate of	\$90.00	-
Staff time will be calculated at an hourly rate from 1st July 2006	-	Actual Time
In the case of Land Use consents an additional fee to apply at the time of issuing the consent to cover the cost of ongoing monitoring.	\$90.00	\$100.00
Receiving and Processing Non-Notified Applications for Resource Consent (Subdivision)		
This category includes the following:		
– Controlled activities		
– Discretionary activities		
– Non-complying activities		
– Extension of consent periods (Section 125)		
– Change or cancellation or consent condition (Section 127)		
Three allotments or less	standard fee	\$800.00 plus mileage
		\$800.00
Other - Deposit payable on receipt of the application with the balance of Council's costs recoverable on an actual and reasonable basis.	\$800.00	\$1,000.00
Staff time will be calculated at the hourly rate of	\$90.00	-
Staff time will be calculated at an hourly rate from 1st July 2006	-	Actual Time
Preparation of Consent Notice	standard fee	-
Change or Cancellation of Consent Notice including Preparation of Document	standard fee	\$260.00
		\$300.00
Receiving and processing Certificates of Compliance under Section 139 of the Resource Management Act 1991		
Each Application	standard fee	\$100.00
		\$400.00
Designations And Notices of Requirements		
Deposit payable on a receipt of a designation or notice of requirement with the balance of Council's costs recoverable on an actual and reasonable basis.	\$2,200.00	\$2,200.00
Deposit payable by a Requiring Authority where Council is required to take action under Section 182 (2) consequent to the removal of a designation.	\$300.00	\$400.00
Deposit payable by a Requiring Authority where	\$300.00	\$400.00

Otorohanga District Council – Long Term Council Community Plan 2006/07 to 2015/16

Council is required to decide on a Section 184 application to extend the life of a designation.	2005	2006
Outline Plan of Works – Deposit payable on receipt of an outline plan of works pursuant to Section 176A.	\$300.00	\$450.00
The balance of Council's costs recoverable on an actual and reasonable basis. Staff time will be calculated at per hour:	\$90.00	
Staff time will be calculated at an hourly rate from 1st July 2006	-	Actual Time
Heritage Orders		
Deposit payable on receipt of a heritage order or notice of requirement with the balance of Council's cost recoverable on an actual and reasonable basis (Section 189).	\$600.00	\$600.00
Staff time will be calculated at the hourly rate of	\$90.00	-
Staff time will be calculated at an hourly rate from 1st July 2006	-	Actual Time
Deposit payable by a requiring authority where Council is required to take action under Section 196 consequent to the removal of a heritage order.	\$300.00	\$400.00
Miscellaneous		
Receiving, and processing and determining an application to extend an existing use pursuant to Section 10 (2) of the Resource Management Act 1991.	standard fee	\$100.00
	\$100.00	\$150.00
Receiving and processing an application for a 223 Certificate where the 223 Certificate approval is not part of an application for a 244 (completion) certificate.	standard fee	\$100.00
	\$100.00	\$150.00
Receiving and processing an application for a 224 (completion) certificate – a deposit of	\$300.00	\$300.00
Staff time will be calculated at the hourly rate of	\$90.00	-
Staff time will be calculated at an hourly rate from 1st July 2006	-	Actual Time
Section 109 (4) dealing with the power to allow a consent holder further time to complete works.	deposit	\$120.00
Preparation and signing of any Bond (except relocatable Bond), covenant, legal document or variation thereto required as a condition of consent (s.108,109) or application to vary or extend time in respect of any bond, covenant or consent notice under s.108 and/or 109 including preparation of documents	deposit	-
Bond discharges (except cash relocatable bonds)	standard fee	\$250.00
Relocatable Buildings		
Bond Preparation Fee	-	\$150.00
Partial Bond Refunds	-	\$150.00
Section 124 (b) conferring the power on the consent authority to allow a consent holder who had made application for a new consent within the period beginning six months before and ending three months before the expiry of the original consent to continue	deposit	\$120.00
	\$120.00	\$250.00
Section 126 (b) which confers the power on the Council to fix a longer period than three months after the expiry of the period of two years during which a consent has not been exercised, as the time within which the consent holder may make an application	deposit	\$120.00
	\$120.00	\$250.00
Section 176 (b) which deals with the power of the requiring authority to grant consent to any person to do anything in relation to the land that is the subject of a designation or heritage order.	deposit	\$120.00
	\$120.00	\$250.00
Section 177 (1) (a) which confers the power on the authority responsible for the earlier designation or order to consent to the requiring authority responsible for a later designation to act.	deposit	\$120.00
	\$120.00	\$250.00
Section 178 (1) which confers the power on the requiring authority which has given notice of a requirement to consent to anyone doing anything that would prevent or hinder the public work, project or work.	deposit	\$120.00
	\$120.00	\$250.00

		2005	2006
Section 184 (1) (b) which confers the power to determine that a designation should not lapse on the basis that substantial progress has been made towards giving effect to it.	<i>deposit</i>	\$120.00	\$250.00
Section 184 (2) (b) which confers the power to determine that a second extension should be granted or that where a period other than five years was specified for the duration of the designation, that period should be extended on the grounds that substantial progress or effort has been made towards giving effect to the designation	<i>deposit</i>	\$120.00	\$250.00
Section 194 (1) which confers the power on the heritage protection authority which has given notice of a requirement to consent to anyone doing anything which would wholly or partly nullify the effect of the heritage order.	<i>deposit</i>	\$120.00	\$250.00
Section 222 (2) which confers the power on the Council to extend the period specified for the subdividing owner to carry out and complete the work to its satisfaction.	<i>deposit</i>	\$120.00	\$250.00
Section 241 Cancellation of amalgamation condition	<i>deposit</i>		\$200.00
Easement approvals (LGA 1974 Section 348)	<i>deposit</i>	-	\$400.00
Infringement Fees	NO GST		
Contravention of s.9 (restrictions to use of land) (s.338 (1) (a))	<i>standard fee</i>	-	\$300.00
Contravention of abatement notice (but not under s 322 (1) (c), s338 (1) (a))	<i>standard fee</i>	-	\$600.00
Contravention of an excessive noise direction (s338 (2) (c))	<i>standard fee</i>	-	\$500.00
Contravention of an abatement notice about unreasonable noise (s338 (2) (d))	<i>standard fee</i>	-	\$600.00
BUILDING CONTROL			
PROJECT CATEGORY		FEES (excl BIA, BRA, travel)	
Minor Works	<i>Urban Area</i>	\$160.00	\$180.00
Solid Fuel Heaters	<i>Rural Plus Travel</i>	\$160.00	\$180.00
Garden Sheds			
Installation of Basic Warning System			
Marquees			
Plumbing & Drainage			
Minor Building Work	<i>Urban Area</i>	\$240.00	\$270.00
Carports	<i>Rural Plus Travel</i>	\$240.00	\$270.00
Demolition			
Para Pools & Equivalent Type Pools			
Decks & Pergolas			
Other Buildings	<i>Urban Area</i>	\$330.00	\$365.00
Garages	<i>Rural Plus Travel</i>	\$330.00	\$365.00
Hay Barns			
Implement Sheds			
Concrete Swimming Pools		\$330.00	\$365.00
Detached habitable buildings with no plumbing & drainage	<i>Rural Plus Travel</i>	\$410.00	\$455.00
Sleepouts, Office, Studio, small additions up to 30m ²			
Small Additions or alterations up to 30m² with no plumbing & drainage	<i>Rural Plus Travel</i>	\$410.00	\$455.00
Detached habitable buildings with plumbing/drainage	<i>Rural Plus Travel</i>	\$500.00	\$645.00
Sleepouts with Toilet/Shower			
Small Additions or alterations up to 30sp m with plumbing & drainage	<i>Rural Plus Travel</i>	\$500.00	\$645.00
Additions between 30 & 60m²	<i>4 inspections</i>	\$660.00	\$735.00
Note: for work over 60m ² , dwelling, commercial & industrial fees apply			

		2005	2006
Dairy Sheds	5 inspections	\$740.00	\$825.00
Resited Dwellings	4 inspections	-	
Resited Dwellings	5 inspections	\$760.00	\$930.00
Single storey dwellings up to 100m ²	8 inspections	\$1,200.00	\$1,335.00
Timber Floor	5 inspections	-	-
Concrete Floor	6 inspections	-	-
Single storey dwellings up to 200m ²	8 inspections	\$1,360.00	\$1,515.00
Timber Floor	6 inspections	-	-
Concrete Floor	7 inspections	-	-
Single storey dwellings in excess of 200m ²	9 inspections	-	\$1,605.00
Dwellings Two Storey or more up to 200m ²	9 inspections	\$1,520.00	\$1,785.00
Timber Floor	7 inspections	-	
Concrete Floor	8 inspections	-	
Dwellings two storey or more over 200m ²	10 inspections	-	\$1,965.00
Timber Floor	8 inspections	-	-
Concrete Floor	9 inspections	\$1,600.00	-
Small Commercial/Industrial Buildings up to 300m ²	9 inspections	-	\$1,515.00
	5 inspections	\$1,040.00	-
Commercial/Industrial Buildings in excess 300m ²	10 inspections	-	\$2,310.00
	9 inspections	\$1,840.00	-
Extra Inspections Where an inspection is requested but the project is not ready or approved	per inspection	\$80.00	\$90.00
Inspection of Second Hand Dwellings (Plus Travel)	per inspection	\$160.00	\$270.00
Inspections of Existing Swimming Pool Fences (Plus Travel)	per inspection	\$80.00	\$90.00
Inspections of Buildings for Compliance	per inspection	\$160.00	\$180.00
Code Compliance Certificate for each additional inspection necessary to obtain compliance (Plus Travel)	per inspection per inspection	\$80.00	\$90.00
Compliance Schedules	per Schedule	\$120.00	\$180.00
Travel Costs (inclusive of staff time) Applies to building consents in excess of 5 km from Otorohanga A flat rate will be charged with any building work in Kawhia A flat rate will be charged with any building work in Otorohanga	per km each way	\$1.50	\$2.50
		\$75.00	\$100.00
		-	\$50.00
Building Consent Information – Quotable Value	per month	\$50.00	\$50.00
Building Consent Information – Others	per year	\$225.00	\$300.00
Extension of Time for which Building Consent is Valid Max 2 extensions of 6 months each		\$40.00	\$50.00
AMUSEMENT DEVICES			
Permit Fees - First Device		\$11.25	\$11.25
Permit Fees - Each additional device		\$2.50	\$2.50
LIQUOR LICENSING FEES			
Special Licences		\$63.00	\$63.00
Licence renewals, variations of conditions and new licences		\$776.00	\$776.00
Managers Certificates		\$132.00	\$132.00
Public request for information from register etc.		\$20.00	\$20.00
Temporary Authority		\$132.00	\$132.00

	2005	2006
Resource Management Certificate of Compliance	\$100.00	\$100.00
Certificate pursuant to Building Act 1991	\$100.00	\$100.00

PUBLIC HEALTH FEES

FOOD PREMISES

Annual Fee required by risk assessment

Very low risk premises	\$160.00	-
Low risk premises	\$250.00	\$250.00
Medium risk premises	\$320.00	\$320.00
High risk	\$350.00	\$350.00

Application for initial inspection plus – apportioned annual fee

\$220.00 \$220.00

Change of ownership

\$40.00 \$40.00

Sale of prepacked non perishable food in sealed containers where ancillary to main business.

\$50.00 \$50.00

Premises not required to be registered but requiring inspection

Eating houses and food preparation premises	\$250.00	\$250.00
Staff cafeterias (no food preparation)	\$70.00	\$70.00
Warehouses	\$70.00	\$70.00

General inspection fee

\$85.00 \$85.00

HAIRDRESSERS

Initial registration

\$220.00 \$220.00

Renewal annual fee

Low risk	\$160.00	-
High risk	\$250.00	\$250.00

OFFENSIVE TRADES

Initial registration

\$220.00 \$220.00

Renewal annual fee

Low risk	\$180.00	\$180.00
High risk	\$240.00	\$250.00

CAMPING GROUNDS

Initial registration

\$220.00 \$220.00

Renewal annual fee

\$180.00 \$250.00

HAWKERS AND MOBILE SHOPS

Hawkers	\$80.00	\$80.00
Mobile Shops	\$140.00	\$140.00
Itinerant Traders	\$140.00	\$140.00

DOG CONTROL

Pursuant to Section 37 of the Dog Control Act 1996 the dog registration fees for the 2002/03 registration year and payable from 1 July 2002 in respect of all dogs aged 3 months or over, be based on the existing fees, as follows:

Urban Dogs	\$99.00	\$105.00
Urban plus Neutered Dogs	\$74.00	\$80.00
Urban plus Special Owner Dogs	\$74.00	\$80.00
Rural Dogs	\$74.00	\$80.00
Special Owner plus Neutered Dogs	\$33.00	\$39.00
Rural plus Special Owner Dogs	\$33.00	\$39.00

That an additional registration fee of 50% of the fee that would have been payable on dogs not registered by 31 July 2004 shall apply.

Registration tags to be supplied free of charge.

Replacement tags to be supplied free of charge.

Dog collars to be supplied at true cost.

That all fees be inclusive of Goods and Services Tax.

POUNDAGE

DOGS

That pursuant to Section 68 of the Dog Control Act 1996 the following fees be payable for impounding of dogs-

		2005	2006
A poundage fee of	<i>per dog</i>	\$35.00	\$40.00
An additional poundage fee for second and subsequent impoundings.	<i>per dog</i>	\$35.00	\$40.00
<i>*Fee for dogs uplifted for barking complaints, threatening public safety, non-registration or any other purpose authorised under the Dog Control Act 1996, the actual and reasonable costs incurred.</i>			
Sustenance fee	<i>per dog per day or part thereof</i>	\$10.00	\$10.00
Notification Fee		\$10.00	\$10.00
<i>That impounded dogs only be released from the pound between the hours of 8.30am to 5.00pm Monday to Friday on full payment of all fees. No releases to be made on Saturdays, Sundays or public holidays.</i>			
OTHER ANIMALS			
pursuant to Section 14 of the Impounding Act 1955			
Poundage			
For every horse, mare, gelding, colt, filly or foal		\$45.00	\$45.00
For every mule or ass		\$45.00	\$45.00
For every bull above the age of 9 months	<i>Per head up to 6 head</i>	\$45.00	\$45.00
For every bull above the age of 9 months	<i>For every head over 6 head</i>	\$20.00	\$20.00
For every ox, cow, steer, heifer or calf	<i>Per head up to 6 head</i>	\$35.00	\$35.00
For every ox, cow, steer, heifer or calf	<i>For every head over 6 head</i>	\$20.00	\$20.00
For every stag above the age of 9 months		\$45.00	\$45.00
For all other deer		\$35.00	\$35.00
For every ram above the age of four months		\$15.00	\$15.00
For every ewe, wether, or lamb		\$10.00	\$10.00
For every goat		\$10.00	\$10.00
For every boar		\$40.00	\$40.00
For all other pigs		\$40.00	\$40.00
Notification Advertisement			
That in addition to the above fees and to be considered part of the poundage fee, where applicable, a notification fee of a newspaper circulating in the local authority district.		\$10.00	\$10.00
Repeated Impounding			
That where stock, not necessarily the same animal, but owned by the same person is impounded on a second or subsequent occasion, the Poundage fee shall be twice that charged on the initial impounding.		Double initial impounding Fee	Double initial impounding Fee
Sustenance			
That sustenance fees shall be payable by the owner of impounded stock sufficient to reimburse the Council for all actual and reasonable costs incurred in the sustenance of the stock provided that no such fee shall be less than.	<i>per head of stock per day.</i>	\$6.00	\$6.00
Driving Charges			
That in the case of any stock found trespassing, straying or wandering on any road, the owner shall pay to the Council all actual and reasonable costs incurred in loading, driving or conveying the stock from the place where it is found to the nearest pound.		\$10.00	\$10.00
<i>That impounded stock only be released from the pound between the hours of 8.30am to 5.00pm Monday to Friday on full payment of all fees. No releases to be made on Saturdays, Sundays or public holidays.</i>			
That all fees be inclusive of Goods and Services Tax.			
TRESPASSING			
Trespass on any paddock of grass or stubble			
For every horse, cattle, beast, deer ass or mule	<i>Per day</i>	\$3.00	\$3.00
For every sheep	<i>Per day</i>	\$1.00	\$1.00
For every pig or goat	<i>Per day</i>	\$6.00	\$6.00
Trespass on any land bearing any growing crop or from which the crop has not been removed, or in any reserve, cemetery or burial ground			
For every horse, cattle, beast, deer ass or mule	<i>Per day</i>	\$6.00	\$6.00
For every sheep	<i>Per day</i>	\$2.00	\$2.00
For every pig or goat	<i>Per day</i>	\$12.00	\$12.00

OTHER ACTIVITIES

RURAL HOUSING FEES

Preparation of Deeds of Covenant, and/or
Transfer of Loan

	2005	2006
<i>or</i>	\$400.00	\$400.00
<i>for two</i>	\$450.00	\$450.00

Otorohanga Community SECURITY PATROL SERVICE

Charges for properties outside
defined area
(Former Differential Rating Area No 1)

<i>Capital Value</i>	Current Rate	Current Rate
<i>Uniform Charge</i>	Current Rate	Current Rate

SUPPORT SERVICES

GIS PLANS

For custom maps the GIS Officers
time should be charged at

	2005	2006
<i>per hr.</i>	\$30.00	\$50.00

Vector Data

Sheet	Size		
A4	(210 x 297)	\$7.00	\$7.00
A3	(420 x 297)	\$8.00	\$8.00
A2	(420 x 594)	\$15.00	\$15.00
A1	(840 x 594)	\$20.00	\$20.00

Raster Data

Sheet	Size		
A4	(210 x 297)	\$10.00	\$10.00
A3	(420 x 297)	\$12.00	\$12.00
A2	(420 x 594)	\$15.00	\$15.00
A1	(840 x 594)	\$30.00	\$30.00

Raster plots are dearer as they are solid graphics like topographical maps or aerial photography, whereas vector data is only line work and text and therefore uses considerably less ink.

PHOTOCOPYING

Single <5

A4 White	\$0.30	\$0.35
A3 White	\$0.30	\$0.40
A4 Coloured	\$0.35	\$0.60

Single >5

A4 White	\$0.25	\$0.30
A3 White	\$0.35	\$0.35
A4 Coloured	\$0.35	\$0.50

Double sided <5

A4 White	\$0.35	\$0.50
A3 White	\$0.40	\$0.60
A4 Coloured	\$0.40	\$1.00

Double sided >5

A4 White	\$0.30	\$0.40
A3 White	\$0.35	\$0.50
A4 Coloured	\$0.35	\$0.80

Own Paper less 2c per copy, Staff Schools/Clubs less 25%, Large
Volumes by negotiation, Cash only under \$25

OCE TCS PRINTER/SCANNER/COPIER

A0 Colour Standard Paper	\$40.00
A0 Colour Photogloss Paper	\$45.00
A0 Standard Black/White	\$12.00
A0 Aerial Black/White	\$14.00
A2	Half Price

		2005	2006
LAND INFORMATION MEMORANDUM			
Application Fee		\$200.00	\$225.00
Urgent Fee (within 3 working days)	Additional	\$40.00	\$125.00
Any follow up work as a result of a LIM		Time at hourly charge rate plus mileage at 60c p/km with a min charge of \$50	Actual costs
LEGAL DOCUMENTS			
Preparation of Leases and Licences of Council land (plus actual disb. costs i.e. any advertising fees)	per / hour min \$200 Standard Fee	\$60.00 -	- \$200.00
Preparation of Leases and Licences of Council land - renewal	per / hour min \$100 Standard Fee	\$60.00 -	- \$150.00
Sealing Fee per set of documents		\$35.00	\$35.00
Title Search (i) Standard (plus disbursements)	per document	\$5.00	\$10.00
(ii) Complex (plus disbursements)	per document	\$5.00	\$15.00
Search Fee		\$50.00	\$50.00
RATING INFORMATION			
Road / Street Index		\$225.00	\$500.00
Written confirmation of individual property information and requisitions		\$35.00	\$50.00
Verbal information on properties to the owner, occupier or their representatives.		Nil	Nil

Appendix 3 – Regional Land Transport Strategy

A major piece of regional policy that will affect the way in which the land transport system is developed in the Waikato Region, is nearing completion.

The Regional Land Transport Committee is currently preparing the Waikato Regional Land Transport Strategy for adoption by Environment Waikato.

The purpose of the Strategy is to guide the development and management of the land transport system in the Waikato Region over the next 10 years.

In particular, the strategy will guide investment decisions for maintenance and improvement of local roads and State highways, passenger transport, walking and cycling infrastructure and alternatives to roading such as rail and barging to ensure an integrated, safe, responsive and sustainable land transport system into the future.

This is an important document for the Waikato Region as it will bring together a variety of available funding sources (national, regional and local) and will allocate that funding to specific projects and activities.

To guide investment, a vision for land transport and set of desired land transport outcomes has been developed in consultation with the Regional Land Transport Committee (see box below).

The vision for land transport in the region is:

A safe, sustainable and integrated transport system that really works and enhances the environmental, economic, social and cultural well-being of the region.

A preferred strategic direction for developing the regional land transport system has also been developed.

This focuses on:

- ensuring investment is directed to strategic inter and intra-regional corridors to provide an efficient and sustainable transport network through the region;
- managing demand and encouraging alternative modes of transport; and
- ensuring that investment right across the transport network gives effect to the desired regional land transport outcomes developed for the Strategy.

RLTS Desired Outcomes	
Outcome Area	Outcome Statement
Economic Development	<i>A transport system that promotes continued growth and economic development of the region and provides for the efficient, affordable movement of people and goods in and through the region</i>
Safety and Personal Security	<i>Substantial improvement of the safety and personal security within all modes of transport</i>
Access and Mobility	<i>A transport system that is inclusive, accessible and affordable</i>
Public Health	<i>A transport system that promotes and provides positive public health outcomes</i>
Environmental Sustainability	<i>A sustainable transport system that minimises adverse effects on the environment</i>
Integration	<i>Integrated land use and transport planning Integrated transport modes</i>
Responsiveness	<i>A transport system that is proactive to the needs of the community</i>
Energy Efficiency	<i>Improved energy efficiency</i>
Funding	<i>A transport system that is funded to fully implement local, regional and national strategies</i>

Adoption of RLTS

The draft Regional Land Transport Strategy will be released for public feedback at the end of May and submissions will be sought from interested stakeholders by the end of June 2006.

Submissions will then be heard by a Hearings Committee before the final Strategy is formally adopted by Environment Waikato on the 28 September 2006.

What the RLTS will mean for Otorohanga District Council

The Regional Land Transport Strategy will rely on key transport stakeholders for its implementation and will contain a number of specific actions that Otorohanga District Council will be responsible for.

In addition, any projects and activities proposed by Otorohanga District Council must be consistent with the Strategy to meet Land Transport New Zealand funding criteria for funding subsidies.

In other words, the Strategy will guide land transport investment within Otorohanga District.

Projects arising from the Regional Land Transport Strategy may need to be jointly funded by local, regional and national sources in order to achieve the desired vision and outcomes for the Waikato Region's land transport system.

The Waikato Joint Officials Group process established by the Ministers of Transport and Finance will provide additional crown funding to the Waikato Region to address part of the funding gap, and this will require local funding inputs.

The outcome from the Joint Officials Group process will not be known until late May and the resultant funding will not be available until 2007/2008.

Therefore, the detail of policy and funding requirements under the Regional Land Transport Strategy will be incorporated into the next LTCCP planning process.

Appendix 4 – Assessment of Water and Sanitary Services

Summary

1.0 Council Administered Water Supplies

On a practical level all of Council's water supplies are providing a sound basic level of service in that they are meeting normal demand for water and the water supplied has not been associated with, or suspected as having been associated with any outbreak of water related disease over the last 15 years.

All of the supplies are however believed to be incapable of complying with the current or forthcoming version of the New Zealand Drinking Water Standards (NZDWS), and significant upgrading of water treatment plants is likely to be required if such compliance is to be achieved. If as expected compliance with NZDWS becomes mandatory the smaller supplies may face affordability issues in respect of both capital upgrading works and ongoing increased operating costs.

The most significant public health risk amongst the supplies is considered to be the absence of disinfection on the Taupaki Rural Water Scheme. This could be easily remedied, but the water is used predominantly for stock, and the relatively small numbers of persons connected to the scheme have indicated that they have a preference for no disinfection.

The Ranginui Rural Water Scheme has some water quality issues because of low residual disinfectant levels that are associated with the extensive reticulation of the scheme, and this may be difficult to address on an affordable basis. The scheme does however serve a small number of persons and other options exist to manage this issue.

The Otorohanga, Kawhia and Arohena (Kahorekau) supplies all have limited ability to

accommodate expected future increases in demand for water. Of these supply issues it is that of Kawhia that will be the most difficult to remedy because no suitable source has yet been identified that could be developed to supply the necessary additional raw water at reasonable cost.

Though there are some issues in respect of the existing supplies it is considered that continuation of the existing services is preferable to withdrawing these services and requiring currently connected properties to develop their own individual water supply arrangements.

Proposed actions in respect of these systems are as follows:

- Conduct further study to evaluate requirements for achieving compliance with NZDWS (2005) for each supply, including evaluation of water sources. Target completion date June 2007;
- Continue and refine monitoring of water consumption and associated factors in Otorohanga and Kawhia to better define demand trends;
- Secure funding and conduct investigation of potential groundwater sources to supply Kawhia. Target completion date June 2007; and
- Resolve water take issues (and resource consent non-compliance) on Arohena (Kahorekau) scheme, either through new intake / source or demand control measures. Target completion before December 2006.

2.0 Council Administered Wastewater System

The only Council administered wastewater system is that which serves Otorohanga. This system is meeting all of the current needs of the community, with only very minor adverse environmental effects.

The existing system has limited ability to accommodate additional demand, but it is not expected that the capacity of the system will be exceeded in the near future, and it is believed that potential exists for affordable upgrading.

Much consideration has been given to the potential for providing a Council administered wastewater service to the Kawhia Community.

Whilst financial assistance towards the cost of constructing such a system is likely to be available from central government in the form the Sanitary Works Subsidy Scheme, it is believed that the residual capital cost and on-going operating expenses would still be too high to make such development viable.

Proposed actions in respect of this system are as follows:

- Further restrict most significant abnormal discharges to sewer in Otorohanga. Target completion date December 2005;

- Improve knowledge of condition of sewers, undertake renewals if required. Investigation to be completed prior to June 2006, work to follow as required; and
- Maintain awareness in respect of potential for public wastewater system in Kawhia.

3.0 Council Administered Stormwater Systems

The services provided in Otorohanga and Kawhia are operating well and generally meeting the needs of the communities without any significant adverse effect. Minor localised issues of poor drainage are being progressively

addressed through extensions and upgrading of the existing reticulation.

The only proposed action in respect of these systems is continued to response to existing local drainage problems where appropriate.

4.0 Public Toilets

The existing Council owned public toilets provide only very basic (and in some cases poor) levels of service. The remote location of some facilities and the associated potential for vandalism does however impose practical constraints on the services that can be provided.

Though not yet demonstrated it is suspected that effluent from the toilet at Puti Bridge (SH31 outside Kawhia) could have adverse environmental effects.

The toilet on Jervois Street in Kawhia is considered to be seriously inadequate in respect of both capacity and appearance, and replacement of this facility will occur in the near future.

No additional public toilets are currently planned.

The only proposed action in respect of public toilets is to conduct environmental monitoring at Puti Bridge during 2005/6 year.

5.0 Cemeteries

The public cemeteries in Otorohanga and Kawhia are well maintained and have adequate capacity to meet all current and likely future needs of the District.

No adverse environmental or public health effects are known, and as such there are no significant proposed actions at this time.

6.0 Solid Waste

The refuse, recycling and re-use services provided by Council are effective, well tailored to the needs of many people and are instrumental in assisting progress towards Council's 'Zero Waste' objectives.

It is intended to maintain or extend these services if this is affordable.

Proposed actions in respect of solid waste are as follows:

- Review Council Solid Waste Management plan during 2005/6 year; and
- Increased promotion of waste reduction concepts and services, commencing July 2005.

7.0 Privately Owned Water Supplies

Dwellings in Aotea and Te Kawa generally have adequate supplies in terms of both quality and quantity, sourced from rainwater or bores. However the maintenance of such systems is often neglected. New owners who only have experience of reticulated systems often lack advice in system management.

Dwellings in the rural sector are more likely than others to be supplied with non-potable water, both as a result of an insecure source, exposure to risk of contamination by livestock or wildlife, and also by being connected to a farm reticulation exposed to backflow and

cross-connection hazards. The latter is an increasing problem with the use of stock water to disseminate animal remedies, minerals, bloat aid etc. Several actual incidents have occurred in the District where consumer health has been compromised.

Institutions within the District with private water supplies present a low risk to health.

All schools are required to meet the Drinking Water Standards for New Zealand and are monitored for compliance with that standard, for micro-organisms and chemical determinant.

Marae, and other institutions with private water supplies often have both bore and rainwater supplies. Management advice should be available to ensure water quality.

The development of modern water treatment has made the supply of safe potable water to individual premises very achievable. Indeed it could be more cost effective to treat water for microbiological hazards in individual supplies than in the high volume community systems with insecure surface catchments. This is particularly so in the case of protozoa. Cartridge filters and UV disinfection are cost effective and proven, provided that they are maintained correctly. Naturally the preferred option is the use of a secure source.

Proposed actions in respect of privately owned water supplies are as follows:

- Continue to provide information and advice to

owners and occupants of dwellings with private water supplies. Sanitary survey, sampling and testing of waters at cost, for microbiological quality and the common chemical determinants is offered;

- Develop and disseminate promotional literature and handouts on water system maintenance particularly for new owners;
- Develop promotional literature on modern treatment equipment and choices available;
- Develop promotional literature for rural residents on water quality and backflow / cross -connection hazards; and
- Take legal action, where appropriate, pursuant to the Health Act 1956 and Building Act 2004, to ensure that all dwellings and institutions have an adequate supply of potable water.

8.0 Privately Owned Wastewater Systems

With the exception of the residents of Otorohanga Township, all residents of the District rely upon on-site sewage disposal. For the purposes of this assessment the premises were divided into groups: rural dwellings, institutions, and residential communities – Aotea, Kawhia and Te Kawa.

The soils of the District with isolated exceptions are ideal for effluent renovation in correctly designed systems. Constraints presented in some localised areas by virtue of high groundwater table, fine-grained silts or clays, steep topography etc, can be addressed using wastewater reduction and a variety of modern treatment systems, some of which are complex mechanical methods and others not so.

Sites in the rural area and those of institutions rarely present problems, as large areas are available for disposal of effluent. There are normally a variety of alternative solutions available. However, care is required to avoid discharge in proximity to water supply bores.

Monitoring of conditions in Kawhia in the early 1990s demonstrated adverse effects of septic tank systems, and reticulated sewerage was considered. Since that time a comprehensive program was implemented to identify all existing systems, secure remedial works on defective systems and the elimination of point-source contamination of watercourses.

The use of a wide range of options, plus ongoing improvement through the adoption of standards exceeding the Regional Rules for all new systems and those becoming defective has removed risk to public health, and enabled the

sustainable use of onsite sewage disposal.

The benefits of reticulated sewerage in facilitating higher density development are not sought by those in the community who demand no change to the character of the community. In the case of on-site sewage disposal, the costs of providing high quality treatment fall on the developer and are not shared by those already incumbent and on limited income. Adverse effects on health, using the WHO definition of health can be created when the costs of services are beyond the means of recipients.

Sites in Te Kawa Township present little risk to public health by virtue of the low density of occupation.

Sites in Aotea Township present little risk to public health at this time. The township is in transition with the trend to construction of larger dwellings, extended occupation etc that increase the demands on the subsoil for remediation. However, compliance by new systems with the Regional Rules ensures that the effect of effluent disposal will not be significant.

Whilst control of effluent quality and system design though the Building Act and Regional Rules etc is available at Building Consent stage and during the subdivision process, there is no mechanism available to enable ongoing maintenance of the complex modern treatment systems and indeed the monitoring of performance, to be required.

Proposed actions in respect of privately owned waste water systems are as follows:

- Advice will continue to be given on options available in the selection and design of appropriate sewage systems;
- Promotional literature will be developed to advise on sewage system maintenance;
- Effects of onsite sewage systems will continue to be monitored at Kawhia and Aotea;
- Formal action will continue to be taken where necessary to secure remedial works to any defective or inadequate on-site systems; and
- The adoption of a Bylaw or other method of requiring maintenance and monitoring of modern sewage treatment systems will be investigated.

Appendix 5 – Otorohanga District Council Solid Waste Management Strategy 2002

1.0 Introduction

The Otorohanga District is primarily rural, with key centres of population at Otorohanga and Kawhia and smaller communities at Aotea and Te Kawa.

Since the adoption by Council of its Solid Waste Management Strategy in February 1998, there have been significant changes in the District's management of solid waste, including the closure of its two landfills at Otorohanga and Kawhia. In addition, the adoption by Council of a 'ZeroWaste' policy and the development of an implementation strategy, make this an opportune time to review the Solid Waste Management Strategy.

The Local Government Amendment Act (No.4) 1996 requires local authorities to amend or update its Waste Management Plan as necessary. This update is intended to overview

the current solid waste situation and outline the general direction of solid waste management over the next 10 years.

A more detailed action plan, giving directions and priorities for the first two years of the ZeroWaste policy is attached as Appendix A. However, no specific waste reduction targets are set for the first two years since there is a lack of information upon which to base them.

In order to achieve the objectives of the Policy it is important that the community have substantial input to the process and take ownership of the strategy and its initiatives. A consultative process as set down in the Act must be followed. It is hoped that the development of the strategy will generate a higher level of public participation in Waste Management issues.

2.0 Zerowaste Principles

Council has adopted a policy of 'zero waste by 2010'. The alternative to expending ever-increasing sums on transport and disposal is to invest in the reduction and eventual elimination of waste.

2.1 Definition

Waste is any material, solid, liquid or gaseous, that is unwanted and/or undervalued, and discarded or discharged by its owner.

Note: This definition recognises that what one person or organisation regards as waste, can be a useful resource when used again for a beneficial purpose.

2.2 Waste Management Hierarchy

The internationally recognised hierarchy uses the 5Rs – Reduce, Reuse, Recycle, Recover, Residue Disposal descending order of priority.

...This approach to waste management is recognised in the Local Government Amendment Act 1996 by inclusion in Section 557.

Councils are directed to consider these five methods of waste management in priority order.

1. **Reduce** – the highest priority and the heart of ZeroWaste. It refers to avoiding making waste in the first place. It is achieved domestically by such measures as selective purchasing – buying goods, which will last,

or are designed to be repaired, by buying goods in bulk rather than in small containers, not buying one-trip disposable items etc. Far from requiring a new attitude to resources, it necessitates a return to a previous philosophy.

2. **Reuse** – the second priority, is the further use of products in their existing form for their original or similar purpose. Domestically – the development of second chance shops at recycling centres enable reuse. Many of these offer repair or certification of electrical appliances etc. Commercially – multiple use of pallets and containers is a form of reuse. The regional 'Waste Exchange' enables re-use of materials by organisations and deserves support.
3. **Recycle** – This aspect has received most attention, and is clearly the focus of most community action. A limited range of materials is collected at kerbside and at drop-off points. However, it is only third in priority after reduction and re-use. It reduces the processing of materials to create new products, rather than using virgin materials. As such it is a valuable method of diversion for the waste stream, but are requiring in many cases on-going support – by way of avoided disposal costs, to make viable.

4. **Recovery** – there is a lot of biomass, energy and materials in waste which can be recovered e.g. composting and worm-farming recover nutrients.
5. **Residue Disposal** – The disposal of the declining volume of waste created, which

can not currently be diverted from the waste stream.

By following the 5R's hierarchical approach, the use of the hierarchy, significant environmental benefits will result, both by avoiding waste creation and in diverting materials from the waste stream.

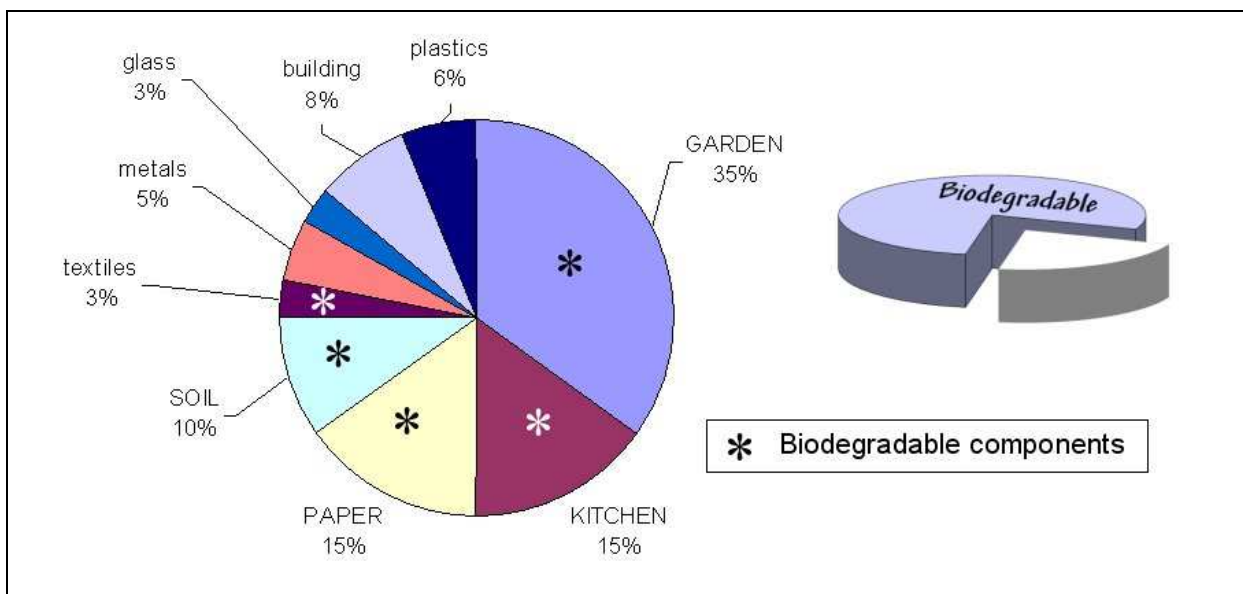
3.0 Present Waste Management Practice

- 3.1 Since closure of both landfills in the District, most waste is transported to landfill at Te Kuiti.
- 3.2 Council provides a weekly kerbside waste collection in the communities of Otorohanga, Kawhia and Aotea for which a user-charge is imposed partially offsetting disposal costs. The fee may be varied by the contractor.
- 3.3 Council provides kerbside collection, without charge, of a limited range of recyclable materials – currently newspaper, plastic bottles, glass bottles and aluminium cans – in Otorohanga and Kawhia. The same range of recyclable materials is collected from Aotea. Council also provides for the deposit, without charge, of the same recyclable materials at its Recycling Centres in Otorohanga and Kawhia.
- 3.4 Garden waste may be deposited at the recycling centres for which a user-charge is levied.
- 3.5 Waste may be deposited at the Kawhia Recycling Centre – for which a user-charge is levied.
- 3.6 There are no facilities to allow collection or disposal of waste from rural households and no drop-off facilities for recyclables other than at Otorohanga, Kawhia .
- 3.7 Recent developments including an increase in user-charges and the removal of refuse tips has contributed to an increase in fly-tipping, the burning of some wastes and the use of litter bins for domestic waste disposal. This is a national trend.
- 3.8 The absence of a transfer station in Otorohanga has resulted in extensive use of contractor's skips and drums by residents for all waste, which is too bulky for the refuse bag. This portion of the waste stream – including disused furniture, building materials and domestic appliances – is conveyed to landfill without separation of recyclables or the opportunity for re-use.

4.0 Characteristics of the Waste Stream

- 4.1 The waste stream includes all solid waste produced in the not merely waste collected by Council.
- 4.2 No analysis or measurement has been

carried out of Otorohanga District's waste, but in the 1996 survey by Environment Waikato, 4 neighbouring Districts were found to have waste stream composition as shown.



- 4.3 Nationally the volume of waste produced per annum and per capita has increased at the rate of 3% per year, and New Zealand produces the highest volume of waste per capita in the world.
- 4.4 The cost of disposal in landfills has increased dramatically as environmental protection requirements have increased. Costs for disposal at Te Kuiti are now \$69 per ton. If the true costs were accounted for, including for example, replacement of the landfill, costs would exceed \$100 per ton.
- 4.5 The cost of transport to landfill has increased as the distance to landfill has increased.
- 4.6 Approximately 75% of the waste stream is biodegradable – kitchen and garden waste, paper, textiles, earth etc.

This part is readily returned to the soil by various methods.

- 4.7 Without the biodegradable components, the remainder of the waste may be viewed as merely a collection of resources – many of which are immediately recyclable – plastics, glass, metal etc.
- 4.8 Materials not currently recyclable are the subject of on-going research and diversion methods eventually become available. Recent examples include – agricultural plastic wrapping and various building materials etc.
- 4.9 The use of recycled materials not only avoids future environmental problems at disposal sites but reduces the use of virgin raw materials which are finite resources, thus enhancing sustainability.

5.0 Objectives

The Otorohanga District Council's objectives in the area of waste management include the following:

- a) To eliminate waste to landfill by 2010.
- b) To promote the concept of Zero Waste, and encourage individuals, households and businesses to take responsibility for their waste, and provide leadership, information and support to all groups.
- c) To actively encourage community participation in all waste reduction activities.
- d) To understand our waste stream to enable measurement of changes and the effectiveness of reduction initiatives.
- e) To target specific components of the waste stream in all sectors of the community and achieve optimum reduction, re-use and recycling of them:
 - i) *Residential:* Otorohanga, Kawhia, Aotea and Te Kawa Township and households in the rural area.

ii) *Commercial:* Offices and shops, food, hospitality and tourist industry institutions – marae and schools.

iii) *Industry:* Manufacturing, building industry, rural business.

- f) To progressively extend the range of waste stream components targeted and facilitate their reduction or diversion to recycling.
- g) To ensure that the costs of waste disposal are progressively apportioned to those who generate the waste.
- h) To review the strategy and any targets bi-annually.
- i) To protect the public health.

Note:

The plan must:

- 1) Be consistent with Environment Waikato's Regional Policy Statement.
- 2) Comply with the requirement of Section 538 Local Government Amendment Act to encourage effective and efficient waste management.

6.0 Waste Minimisation Methods

- a) **A substantial reduction** in waste to landfill can be achieved by the application of the waste management hierarchy to each sector of the community producing waste – residential, commercial and industrial. The waste stream from each sector has its own characteristics and each sector will respond to different measures.
- b) **Methods:** To be successful, an integrated programme is necessary, which provides:
 - i) **education** and promotion – to allow the development of community awareness.
 - ii) **facilities** (both community and

individual) – enabling awareness to be converted into action.

- iii) **financial incentives** – to reward those making the effort.

6.1 Education

This is the key activity, the necessary first step in an integrated programme, since it involves both changes in attitude and in behaviour.

- i) **attitude** – we all create waste – and have to take responsibility for it – individually or as a business.
Waste must be viewed as a potential resource. In nature and earlier societies there was no such thing as waste – it is a relatively new phenomenon.
- ii) **behaviour** – the adoption of waste avoidance methods offers the best long-term benefit.

An effective waste education programme should reach all sectors producing waste in:

- a) *Schools* – a priority. By 2015 today's students will have households of their own. Already a waste programme has established recovery of food waste through worm farms in almost all primary schools in the District.
Extension of the programme to include other aspects of waste, and the opportunity for the school to adopt a zero waste policy would increase its value to the District.

- b) *Community groups* – talks and exhibitions reach all sectors.
- c) *Commercial and industrial sectors* can receive advice and assistance in identifying waste, conducting waste audits etc, which is termed - cleaner production.
- d) *Households* – education is normally by the distribution of promotional materials plus information on specific aspects directed on a house-by-house basis.

6.2 Enable the community by:

- a) Identifying components in the waste stream that can be diverted from it by reuse and recycling.
- b) Provide facilities for the reception or collection of separated materials.
- c) Progressively extend the range of materials recycled.

6.3 Incentives

After the provision of information, and facilities to enable waste minimisation, support can be offered to those taking the time to do the right thing by making sure that those who make waste meet the true costs of its disposal.

Note:

It is important that people do not feel that they are paying twice for a service, and that subsidies to waste makers are not continued.

Appendix 6 – Zero Waste Action Plan – Years 1 & 2

The projects listed are subject to annual funding and decisions will be made based on priority at the time.

Council's intention to achieve Zero Waste by 2010 recognises that the process is a long one and the priorities of the first two years reflect that.

The following measures provide for the gathering of data, for waste awareness education and choices of action in the different sectors producing waste. Action is based on the waste stream of the various sectors, rather than

on individual materials in the waste stream, since each sector has different characteristics.

All waste produced must be considered –from commercial, industrial and residential sectors – including that removed by all other contractors, in addition to the waste collected under contract to Council.

There is little data available on materials landfilled or currently recycled from the District. No targets are proposed, at this stage, since there is currently insufficient data to base them on.

DATA COLLECTION	
WHAT	How
1) Voluntary supply of information	Set up a system of data collection for all sectors from contractors working in the District.
2) Waste analysis survey	Carry out a targeted survey of residential waste, to produce accurate and useful information in respect of: i) the quantity and composition of the waste stream ii) the proportion of households participating in recycling iii) the degree to which those participating achieve separation
1) Agree voluntary system by June 2003 2) Survey already completed 2002. To be repeated bi-annually.	

WASTE AWARENESS	
WHAT	How
Schools	1. Maintain the biodegradables programme in primary schools 2. Develop expanded comprehensive waste education programme, course, resources etc 3. Deliver expanded waste programme to primary schools 4. Deliver expanded waste programme to pre-schools, kohanga reo & secondary school
Community	5. Consideration be given to reducing the number of litterbins available at reserves and roadsides, and replace some with recycling bins for paper, glass and cans.
1. Programme commenced 2000 is continuing 2. Commence Jan 2003, complete by March 2003 3. Commence March 2003 for the school year 4. Commence other schools Feb 2004 5. After Otorohanga Recycling Centre upgrade.	

RESIDENTIAL WASTE	
WHAT	How
1. Continue with the present collection of waste and the four recyclables – paper, plastic bottles, glass bottles aluminium.	Increase the awareness of waste avoidance methods and participation in recycling, by the distribution of promotional materials, stalls at local events, talks to community groups etc.

<p><i>Conduct campaign Otorohanga community – March 2003</i> <i>Consider other materials after Otorohanga Recycling Centre upgrade.</i></p>	
<p>2. Increase the number of recyclable materials being collected – in addition to the basic four currently provided for.</p>	<p>Extend the range of materials collected kerbside and received at recycling centres</p>
<p><i>Collection of steel cans – commences April 2003</i> <i>Consider other materials after Otorohanga Recycling Centre upgrade.</i></p>	
<p>3. Enable re-use of discarded materials</p>	<p>Provide for reception of increased numbers of materials for recycling – including ‘second chance shop’ at both recycling centres.</p>
<p>1. <i>Provide 2nd chance facility in Kawhia – September / October 2003.</i> 2. <i>Provide 2nd chance facility in Otorohanga- with Recycling Centre upgrade.</i></p>	
<p>4. Improve recycling facilities</p>	<p>1. Consider extension of operating hours at both recycling facilities. 2. Consider improvement and extension of facilities provided. 3. Consider the provision of additional drop-off points in the community and a reduction in the number of litter bins.</p>
<p>1. <i>Consider extension of hours after monitoring the use of upgraded of facility.</i> 2. a) <i>Develop proposal for upgrade of Otorohanga Recycling centre upgrade – March 2003</i> b) <i>Concept approval and let tender May 2003</i> c) <i>Complete upgrade to Otorohanga Recycling Centre by August 2003</i> 3. <i>Consider additional drop off points in lieu of litterbins after monitoring use of Recycling Centre – April 2004.</i></p>	
<p>5. Rural Residents – extend access to recycling facilities</p>	<p>Facilitate recycling by rural households by providing pilot recycling centres at two rural schools. Schools would be responsible for the day-to-day management of the facilities but serviced by Council.</p>
<p>▪ <i>Agree siting at Ngutunui School – Feb 2003</i> ▪ <i>Complete facility – Ngutunui School – June 2003</i> ▪ <i>Complete facility – Kio Kio School – June 2004</i></p>	
<p>6. Develop a pilot project in one community or part e.g. Kawhia</p>	<p>Following a promotional initiative, participating householders will separate all biodegradable household materials – which will be collected with some garden waste. The remainder – including washed containers etc., becomes a collection of clean resources – potentially recyclable. When sorting facilities are available the current collection of basic recyclables would cease.</p>
<p><i>Commence promotion campaign – May 2003</i> <i>Secure agreements with householders – June /July 2003</i> <i>Commence biodegradable processing – July 2003</i></p>	
<p>7. Garden Waste</p>	<p>Compost or otherwise treat biodegradable materials deposited at Otorohanga and Kawhia, in a controlled process to provide beneficial product. Alternatively, transport the material to such a composting facility.</p>
<p>1. <i>Evaluate options – April 2003</i> 2. <i>Commence – July 2003</i></p>	
<p>8. Promotion of home composting</p>	<p>1. Provide promotional material, demonstrations at community events, training and bins at cost price. 2. Develop a pricing structure for garden waste at the recycling centre, which reflects the cost of treatment and rewards home composting.</p>
<p>1. <i>Carry out campaign – August 2003 (Link with 5 above)</i> 2. <i>Develop by – September 2003</i></p>	

COMMERCIAL WASTE	
WHAT	How
1. District Council	<p>Develop an in-house waste policy.</p> <p>It is likely that such a waste policy would include:</p> <ul style="list-style-type: none"> ▪ waste audit – identify materials and set benchmarks; ▪ conducting a meaningful waste reduction campaign; ▪ provide for purchase of appropriate equipment purchase of recycled materials – paper, oils, inks etc., within a percentage of the cost of products made from virgin material; ▪ incorporation of zerowaste philosophy in all operations – e.g. tree clearance, vegetation control and disposal; and ▪ specifications in contract documents for landscaping and refuse collections contracts to minimise waste produced.
<p>1. <i>Plan already developed</i></p> <p>2. <i>Implementation, staff training – January 2003</i></p>	
2. Food and Hospitality	<p>Increase the diversion of food and other biodegradable wastes from the waste stream, by distribution of promotional materials. Councils Environmental Health Officer will carry out education at the time of inspection of food premises.</p>
1. <i>Commence promotion – January 2003</i>	
3. Garden Contractors	<p>Contractors will be encouraged to shred and chip green waste on site, rather than deliver it to a community facility.</p>

INDUSTRIAL WASTE	
WHAT	How
1. Manufacturing industry	<p>Promote cleaner production by providing promotional materials and information and by assisting with waste audits and the development of waste minimisation plans.</p>
2. Rural industry	<p>Develop and produce a 'Waste Wheel' or similar information tool.</p>
<p>1. <i>Assemble information kit – February 2003</i></p> <p>2. <i>To provide financial assistance to cost of waste audits – from June 2004.</i></p> <p>3. <i>Commence development of Rural Waste Wheel, secure assistance – March/ April 2003</i></p> <p>4. <i>Complete development / distribute Waste wheel – September 2003</i></p>	

INCENTIVES	
WHAT	How
1. Waste management incentives	<p>Develop pricing structures, which reflect the actual cost of handling and disposal, placing the cost on the generator of the waste.</p>
2. Contractual incentives	<p>To ensure maximum diversion of recyclables, consider the restructuring of Council's refuse contracts to provide:~</p> <p>Incentives for the collection and diversion of recovered materials and less emphasis on the haulage of waste.</p> <p>Separation of materials recovery from waste haulage as the two are not necessarily compatible</p> <p>The sharing of market risks of recovered materials with the contractor.</p>
<p>Existing Contract</p> <ul style="list-style-type: none"> ▪ Commence discussions with Contractor – February / March 2003 ▪ Staged implementation as per target dates above <p>Future Contract</p> <ul style="list-style-type: none"> ▪ Commence discussions with Contractor – March 2004 <p>Develop new contracts for tender process – October 2004</p>	

HAZARDOUS WASTE	
WHAT	How
Enable the producers of hazardous wastes to divert or dispose of them in an appropriate manner	Provide and distribute advisory material. This could include use of the "Waste Wheel". Provide information for Customer Services staff and on Councils web-site, giving waste avoidance advice, and methods of disposal, including a contact list of hazardous waste contractors.
<p><i>See waste wheel note above</i></p> <p><i>Information Assembled, staff trained by March 2003.</i></p>	

NATIONAL POLICIES	
WHAT	How
Central Government responsibilities	Council will vigorously lobby government at every opportunity, to secure the introduction of meaningful waste reduction policies and measures, which make waste diversion more effective.
<ol style="list-style-type: none"> 1. <i>Communicate with appropriate Ministers and Government Departments, i.e Ministry of Environment, development, regularly and frequently – ongoing.</i> 2. <i>Liaise with other Zero Waste Councils, LGNZ etc. – ongoing.</i> 	

Glossary

ACTIVITY:

Goods or Services provided by or on behalf of Council.

ACTIVITY GROUPS:

Related activities clustered together under a single category, such as 'community facilities'.

ANNUAL REPORT:

A report that Council prepares once a year to assess performance against its objectives, activities, performance targets and budgets outlined in the Long-term Council Community Plan.

ASSET:

A resource controlled by Council, such as a park, road, stormwater system, water or wastewater plant.

ASSET MANAGEMENT PLANS:

Plans that provide operational guidance concerning service standards, maintenance and capital costs for assets such as parks, roads, stormwater systems, water and wastewater plants.

ASSUMPTIONS:

A statement that is used as a basis for making particular predictions that may or may not occur.

CAPITAL EXPENDITURE:

Money spent to build or buy a new asset or to improve the standard of an existing asset.

COMMUNITY:

A network of people and organisations linked together by factors such as (geographic community), common interest or identity (hapu, voluntary organisation) or administrative community (the District).

COMMUNITY GRANT:

A sum of money (or goods and service provided in lieu of money) provided by Council or community boards to non-profit organisations within the District.

COMMUNITY OUTCOMES:

A set of aspirations that reflect the community's desires for economic, social, environmental, and cultural well-being.

COUNCIL ORGANISATION:

Any organisation in which Council owns or controls any portion of voting rights or has the right to appoint one or more director, trustees, etc.

COUNCIL CONTRACT STANDARDS:

The standards defined in specific contracts for service delivery by contractors.

COUNCIL CONTROLLED

ORGANISATION (CCO):

An organisation in which Council owns or controls 50 percent or more of the voting rights or has the right to appoint 50 percent or more of the directors of the organisation.

DIFFERENTIAL RATING:

A technique used to 'differentiate' or change the relative rates between different categories of rateable land in order to adjust the rating burden on one or more groups of ratepayers.

DISP:

Decline in Service Potential.

DISTRICT PLAN:

A detailed plan of the way the District's environment will be managed to achieve the purpose and principles of the Resource Management Act 1991.

EQUITY:

Also known as net worth. The total value of assets less total liabilities.

FUNDING IMPACT STATEMENT:

A Document that includes information that discloses revenue and financing mechanisms and indicates the level or amount of funds to be produced by each mechanism.

INVESTMENT POLICY:

A document that states Council's policies in respect to investments.

LEVELS OF SERVICE:

The service parameters or requirements for a particular activity or service area against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability and cost.

LIABILITY MANAGEMENT POLICY:

A document that states Council's policies concerning the management of both borrowings and other liabilities.

LONG-TERM COUNCIL COMMUNITY PLAN:

A ten-year plan adopted every three years under section 93 of the Local Government Act 2002. It describes Council's activities, why it participates in these activities and how the activities will be funded.

NEW ZEALAND DRINKING WATER STANDARD:

Drinking water standards set by the Ministry of Health.

OPERATING COSTS:

Money spent to deliver a service, maintain an asset, or any other expenditure, which does not buy, or build on, a new asset.

REVENUE AND FINANCING POLICY:

A comprehensive policy stating how each activity of Council is to be funded from rates, user charges, subsidies, other income or combination of these.

SIGNIFICANCE:

The degree of importance attached by Council to an issue, proposal, decision or other matter in terms of its likely impact on the wellbeing of the District.

SIGNIFICANT DECISION:

A Council decision that has a high degree of importance in terms of economic, social, environmental, or cultural wellbeing.

STATUTORY REQUIREMENTS:

Requirements identified and defined by the law.

STRATEGIC PLAN:

Long-term strategy for the District approved by Council.